With Alberta Supplement

THE FINANCIAL POST

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The Nation's Business

Alberta Coal Not For Ontario Yet

A New "Grand Tour"

Canada Continues to Reduce Debt

Babson Advertises Canadian Land

COMMENTS on the national finances, thrown into the heat of the North Huron by-election campaign by different speakers, Liberal, Progressive, Conservative and Ginger, serve to illuminate the ignorance even of leading politicians on the subject of federal finance. If Agnes McPhail was correctly reported in her remark that not a dollar of the national debt had been paid off, she showed that she needed more study of the Public Accounts, even if made at the cost of giving less time to "The Nation" and "The Farmers' Sun." Hon. Hugh Guthrie was also reported as declaring that the Canadian treasury was empty; that there was not a cent in the till to pay off the loans falling due this fall. If he said that he was not giving Canada a very good advertisement. But such foolishness of utterance is expected in by-elections, especially close ones.

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MR. ROBB was rushed from an ocean vessel to Goderich to talk to the electors and, in doing so, he gave some pertinent information on the subject of national finances. He indicated that from April 1, 1922, to March last—a period of five years—the national debt had been lowered to the extent of $104,315,846, or at the rate of about $20,000,000 a year. Through the saving of interest on this amount and through refunding operations that lowered the rate of interest on bonds that had been issued during the war, the annual interest burden had been reduced by over $9,200,000.

These are fine achievements and are due as much to the rise of prosperity in the Dominion as to careful handling of the Dominion finances. Canada would be very unwise not to reduce its national debt very materially at this present time of buoyant revenues. It is gratifying that the debt will be reduced this fall again by such a substantial sum. Mr. Robb made definite what has already been expected by the financial community, that the $37,000,000 of bonds maturing in October and November would be paid off in full. He also forecast some permanent repayment of the $67,000,000 December maturity, but would not say how much of this $67,000,000 would be met and how much refunded.

But debt retirement is being carried on in Canada without a definite plan, to be pursued carefully in good times and bad and without regard to changes of ministers and policies. It is to be hoped that the winter will not pass without the announcement by Mr. Robb of a permanent scheme of debt retirement similar to that suggested by the Investment Bankers' Association of Canada.

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CAN wheat land fifteen miles from Calgary city hall be bought at $15 an acre? Roger Babson said so the other day in a speech that was widely quoted in the States. Inquiry reveals that Mr. Babson was telling the truth. Eastern mortgage companies lending in Alberta, state that there is plenty of good land, well located and suitable for growing wheat, that can be purchased for $15 an acre cash. When Mr. Babson made this statement on a previous occasion he was talking to a Middle Western States audience in the heart of the wheat fields. He was burned in effigy, he says, when the news got around.

Here is what Mr. Babson said:

> "If I were a farmer, I would not raise wheat in this country, where wheat land costs $200 an acre, but rather in Canada, preferably Calgary, where good wheat land, not fifteen miles from the Calgary City Hall, can be bought for $15 an acre."

Babson makes many mistakes as do all men who attempt to create much word of mouth publicity for themselves by speaking in language that makes good newspaper headlines. But this time he seems to have broadcast a good ad for Canada.

• • •

THE inability of the Board of Railway Commissioners to make a railway freight rate that could serve as a link between Alberta coal and Ontario furnaces is naturally disappointing to all. Yet the failure of the board to fix a rate that would cause coal to move is based upon the hard economics of the situation. The board's analysis has been most exhaustive.

It has figured coal-moving costs down to rock bottom; it could not find a minimum out-of-pocket expense of less than $7.22; if the railways were to be reimbursed for other normal expenses of doing business as well as wages, fuel costs, etc., the cost would be much higher. At such figures, it is generally admitted no large amount of coal will move in normal times.

Railing at the board for its failure to fix an arbitrary figure, at which

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ALBERTA PACIFIC GRAIN IS STRONG IN FACE OF CROP

Future Bright; First Year of Operation is Successful

COMMON EARNS $3.53

More Extensive Operations in Coming Year Reasonably Can be Expected, Say Buyers of Stock

Both the common and preferred shares of Alberta Pacific Grain company have been rising in market value in the last two or three weeks, evidently on the belief that the report, published this week, would show a good profit for the year ended June 30th, and that the outlook was good with the Prairie Provinces enjoying the benefits of what is virtually a bumper crop.

Study of the stock market sheets of the Toronto and Montreal stock exchange indicates that there has been quiet but substantial accumulation of this stock for some time past. It was reported in The Financial Post of July 29th that the report to be issued in September would show a satisfactory condition of affairs, despite the fact that all the independent grain dealers were meeting competition from the co-operative organizations.

Profits Grow

The present company was organized in April of 1926 to succeed the old company of similar name which had been in successful operation since 1902. At the time of the bond and stock issue, total assets were given at $8,717,285 and the average profit for the three years previous at $795,745. The net current assets were shown at $1,350,000.

Profit for the year was $967,463 before depreciation and bond interest, which shows a substantial gain over the previous three-year average despite the somewhat disappointing 1926 crop. James Stewart, the president, in his remarks to shareholders which accompany the report, directs attention to the fact that the company has a lease from the government for No. 1 elevator at Vancouver, which is the more efficient of the two government elevators there. A subsidiary of the company, Pacific Terminal Elevator Co., operates this plant.

Spend on Betterments

Additions to country elevators and other equipment during the year have cost the company $200,635 and net current assets have increased by $143,831.

Improvements to property include betterments to terminal facilities in both Calgary and Vancouver as well as the building of country elevators at advantageous points in Alberta and Saskatchewan.

Bond interest and preferred stock dividends, it is pointed out, total

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CONTROL OF THOS. DAVIDSON PASSES TO LONDON FIRM

McClary's Secure Strong Eastern Connection Through Deal

Negotiations are in progress whereby the McClary Manufacturing Company may take over from Montreal interests the Thomas Davidson Manufacturing Co. Both of these companies are well and favorably known throughout Canada, and it is said that for the time being there will be no change in corporate names, Thomas Davidson Co., continuing to operate without change of organization and as a subsidiary of McClary's.

Established in 1860

Some change in the control of Thomas Davidson Mfg. Co. was thought likely when new letters patent were issued early this month and announcement was made that new financing would be carried out. The Thos. Davidson Mfg. Co., was established by the late Thomas Davidson in 1860, receiving Dominion charter in July, 1911. It was one of the earliest concerns in Canada to manufacture stamped tinware. In 1914 the plant underwent expansion particularly in the range boiler department. The company manufacturers enamelware galvanized ware, tinware, copper and nickel ware, lithographed metal signs, stoves, ranges, steel castings.

It has branches at Winnipeg, Saskatoon, Calgary and Vancouver. Officers at time of amalgamation were as follows: President James Davidson; vice-presidents, T. C. Davidson; Ed. Goodwill and T. R. Davidson; secretary B. A. Hamilton. The board of directors also included J. B. Woodyatt.

At the present time, it is unknown whether any new financing will be undertaken in connection with this deal. It is possible that McClary's will be able to finance the consolidation without having recourse to outside borrowing.

Packer Shares Expected Soon to be Listed on Toronto Mart

Application will be made within a few days for the listing of the preferred and common shares of Canada Packers, Ltd., the holding company for William Davies Co., Harris Abattoir, Canadian Packing Co., and Gunns, Ltd., This information, while not official, comes from a reliable source.

It is understood that insiders will market a portion of their holdings.

Davies A stock has been strong on the Toronto exchange in the last few days on reports that the business as co-ordinated under the holding company is progressing well. Corroborative evidence of better conditions in the industry is that the American companies, which suffered from proportionately severe conditions in the post-war deflation era, are reporting material improvements.

200,000 of Common

There has not been a widespread public interest in Davies B stock, which is to be exchanged into the common stock of Canada Packers. The Davies A stock is to be exchanged for new $100 7 per cent. preferred on the basis of two shares of Davies A for one new preferred. The amount of outstanding Davies A is steadily becoming less. It is selling on the higher side of 40.

The capitalization of Canada Packers, Ltd., is $10,000,000 of 7 per cent. cumulative preferred, of $100 par value, and 200,000 shares of common stock of no par value. A total of 45,000 preferred shares will be required to convert all the Davies A shares, and 60,000 common shares will be required to convert the B shares.

Mum as to Listing Details

Presumably, the bulk of the remaining 55,000 shares of preferred and 140,000 shares of common is held by Harris and other interests in the merger. Canadian Packing Co. (the Matthews-Blackwell plant) is no longer the property of Allied Packers, Inc., but it is not known if that company was reimbursed for its equity in cash or stock.

Information is not available as to what amount of stock, if any, is still in the treasury of Canada Packers, beyond the amount necessary for exchanging Davies shares.

Bracken Proposes Joint Agricultural, Industrial Council

From Our Own Correspondent.

Vancouver. — Abolition of sectionalism in various parts of Canada and elimination of antagonism between the agrarian and industrial elements of the nation are the two main objectives to be sought by the Canadian Chambers of Commerce. This course was decided upon when delegates in the Chamber's convention here adopted their program for the year after a series of discussions which covered a score of vital Canadian business issues.

The sessions were notable for the attendance of four western premiers: Bracken of Manitoba, Maclean of British Columbia, Brownlee of Alberta, and Gardiner of Saskatchewan, each of whom gave the convention his interpretation of national problems. In addition to the fundamental question of industrial and commercial harmony as between all sections and classes in Canada, the convention pledged itself to work for the vigorous pursuance of a selective immigration policy, the undertaking of a national survey of natural resources the reduction of income taxes and elimination of tax duplication.

Dollar Elected New President

A. Melville Dollar, Vancouver shipping man and a son of Captain Robert Dollar, pioneer Pacific trader, was elected president.

Other officers chosen were: Vice-presidents, A. O. Dawson, Montreal, G. H. Barr, K.C., Regina; J. A. Paulhus, Quebec; R. G. Perrse, Winnipeg, and L. W. Simms, Saint John.

Chairman of the executive: W. M. Birks, Montreal.

Councillors: P. R. McMillan, Saskatoon; J. D. McKenna, Saint John; J. O. Hyndman, Charlottetown; Brig.-Gen. C. H. Mitchell, Toronto; J. S. Royer, Quebec; C. O. Smith, Calgary; Robert McKee, Vancouver; D. R. Turnbull, Halifax; F. Hedley Marsh, Winnipeg.

Hon. Treasurer: J. W. Ross, Montreal.

Secretary General: W. McL. Clarke, Montreal.

Advisory Committee: Chairman, S. B. Gundy; Sir Robert Falconer, president of the University of Toronto; E. W. Beatty, president of the Canadian Pacific Railway; Col. Harry F. Cockshutt, former Lieutenant Governor of Ontario.

One of the high notes of the convention was the speech of Premier John Bracken, of Manitoba, which was accepted here as agriculture's bid for rapprochement with industry.

"What is needed," Bracken declared, "is not a stated formula of co-operation with agriculture and industry, but rather a clearer and more sympathetic understanding between the two great branches of our industrial life, farming and manufacturing. One regrets to admit that misunderstanding exists to-day, but we cannot alter facts. I do not believe, however, that we can alter conditions, before there can be anything like continuous constructive and permanent co-operation. Industry must know more of agriculture and agriculture must know more of industry."

Proposes Tariff Study

Premier Bracken proposed that provision be made for a joint council of agriculture and industry, to meet on stated occasions for the purpose of discussing, from all points of view, the more pressing of the nation's problems. He also proposed that a scientific study be made of the tariff which, he believed, "has done more to put agriculture and industry in separate camps than all other things combined."

He suggested that the most competent men to make this study were the economists of Canadian universities.

West Keenly Interested in Real Estate Mortgage Bonds

Increasing prosperity in the West, has created large sums of surplus money which the owners are wanting to invest in securities offering an attractive return. Attention has naturally turned to the real estate mortgage bond, as one offering a relatively strong measure of security combined with high yield. Unfortunately this bond is not well-known in the West. That they are keenly interested in this type of security, however, is apparent from the fact that one large Toronto dealer has recently received a number of letters from bond dealers in Winnipeg and other Western cities. In each case, the writer states that there is an excellent market in his locality for real estate mortgage bonds and that they are anxious to receive listings.

Commercial Leaders Outline National Business Programme

From Our Own Correspondent.

VANCOUVER.—A programme for business Canada was outlined in the resolutions passed by the convention of the Canadian Chambers of Commerce.

Resolutions passed by the convention favored the following plans:

"That the Dominion Government be urged to seek a conference with other British Empire Governments for the enactment of uniform merchant shipping laws."

"That the Dominion Government be asked to establish natural resources research laboratories at Ottawa."

"That completion of the Trans-Canada Highway be recommended to Ottawa and that the Federal Government be asked to continue the policy of assisting main highways as under the Highway Act."

"That income taxes be further reduced and that duplication of taxation be eliminated."

"That an immigration policy, which will encourage immigration from Great Britain and Ireland, United States and preferred European countries, be vigorously pursued, and that a conference be held by the Department of Immigration and Colonization with representatives of agriculture and industry, with the object of obtaining balanced allocation of immigrants throughout the country."

"That a national survey of natural resources be undertaken by Ottawa."

"That the Dominion Government be asked to adopt the Duncan Commission report recommending a widening of the powers of the Railway Commission."

"That every effort be directed toward obtaining employment of graduates from Canadian Universities in Canada."

"That the fullest possible support be given to the Dominion Government in any efforts that it may undertake to stop the unwarranted diversion of the waters of the Great Lakes by the city of Chicago."

Montreal Trams Earn More Than Toronto System

OTTAWA. — The fare passengers carried by the Montreal Tramways increased by 6,251,745 or 3.1 per cent. and the Toronto Transportation Commission's traffic by 2,714,136 or 1.5 per cent. last year, according to a return made to the Bureau of Statistics.

Gross earnings at Toronto were $11,918,648; total operating expenses $7,574,724; net earnings from operation $4,343,924.

The gross earnings of the Montreal Tramways were $13,304,858; operating expenses $8,040,725; net earnings $5,264,132.

EXPECT OTTAWA TO FIGHT BACK ON FIRE LICENSES

Appeal to Privy Council on Jurisdiction Case is Expected

It is believed that the Dominion government is preparing to take to the Privy Council an appeal against the decision of the Canadian courts that has been taken by the provinces to wipe out much of the Dominion's authority in insurance matters and to enlarge the importance of provincial control over insurance matters.

Ottawa's reaction to the provincial licensing without deposit of 28 American mutual insurance companies is that in the end, the status of this matter will depend upon the decision as to the respective powers of the Dominion and the Provinces. While the Dominion superintendent of insurance is not saying anything, it is thought that his department views the new development with some concern as being in direct opposition to the avowed policy of the Dominion government of strengthening the position of the Canadian insurer in his relations with foreign insurance organizations.

The Department of Insurance at Ottawa is not expected to accept without protest the decision of Quebec and Ontario to license the New England Mutuals. Although no official word has gone forth from Parliament Hill, The Financial Post believes that the challenge has been accepted and that Ottawa will fight.

Says it is Up To Government

Fire insurance companies in all parts of Canada have thrown the onus of responsibility upon the respective governments. "It is a question of jurisdiction. Jurisdiction is a government problem, and the sooner it is settled the better for fire insurance in Canada." This statement sums up the general reaction of fire companies to the developments of the past week. The evidence that Ottawa is prepared to go the limit in deciding the question of jurisdiction should, therefore, be received with commendation by most insurance men in Canada.

If Ottawa does take up the challenge of the provinces immediately, it will mean that the question of jurisdiction as regards the licensing of insurance companies in Canada will be taken to the Privy Council in Great Britain. The last legal decision on the matter was decided by the Supreme Court of Ontario. This decision declared certain sections of the Dominion licensing act ultra vires and has never been appealed.

Fire Insurance Circles Surprised

Surprise and silence have fallen like mantles upon the Canadian fire insurance fraternity, since the announcement in last week's issue of The Financial Post, that the New England Factory Mutuals had been licensed in Ontario and Quebec. Even officials who have been most active in fighting for the interests of the licensed fire insurance companies during recent years, were entirely amazed at the official entrance of the mutuals into the provincial field, without being required to make a deposit. On the whole, however, the general consensus of opinion among insurance men is to the effect that the fight is a clear-cut one between the provincial and dominion governments as to their respective jurisdictions, and that as such, it is no affair of the insurance companies.

But as a matter of fact, the situation is of very definite importance to the insurance companies, primarily, because of the fact that enormous sums of stock company money are tied up in deposits at Ottawa, while at the same time 28 of their keenest competitors are about to write busi-

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Low Profits Again May be Encountered by Most Canadian Milling Firms

Many Signs Indicate Industry is Still Backward

REVENUE OFF SHARPLY

World Conditions Do Not Favor Brighter Outlook for Flour Millers in 1927-28

Prospects of better business for the flour milling companies during the crop year of 1927-28 do not look very cheering. For the past five years the industry has failed to make headway commensurate with its importance. While there have been periods when one or more companies have experienced a heavy volume of business, the industry as a whole has not shown any marked improvement; in fact, in the past three years production has not gained, exports have fallen off, and despite the prestige of Canadian-made flour, foreign buyers have shown a tendency to purchase elsewhere, with the result that operators have been forced to report declining earnings.

In the past twenty-five years a marked change has come over the flour milling industry. From the small country mill, of only a few barrels capacity per day, there have developed enormous plants located at strategic points, capable of turning out several thousand barrels of flour every day. In 1871, for example, there were 2,295 flour and grist mills in operation. At the beginning of the present century, government records show only 400 mills in operation, due to a change in the method of compiling statistics. In the next ten years, the industry experienced great prosperity and by 1911, 1,141 plants were in operation. At the end of 1925, 1,310 plants were reported, so that it will be seen no unusual change had taken place.

With the consolidation and elimination of the small plants, there has emerged the large corporation with plants located in many provinces and having trading connections in all the important importing countries of the world. These at the present time may be said to number six, which account for over half of the total production and well over that mark in regard to exports. A study of the reports of these companies covering recent years soon convinces one that the poor showing recorded is not individual, but rather a reflection of the industry as a whole.

Earnings Decline

Maple Leaf Milling Co., one of the leading concerns in this field, for example, has shown a consistent decline in earnings since 1920, dropping from a high of $938,909 in that year to $432,758 in 1926. Nor is this condition confined to one company for an examination of the reports of other firms show similar results. Lake of the Woods Milling Co., a $5,000,000 capital company, reports a drop in earnings during the seven year period from $732,232 to $271,792. The following table shows clearly the change in net earnings between 1920 and 1926:

	1920	1926
Maple Leaf	$938,909	$432,758
Ogilvie Flour Mills	1,100,066	....
Lake of the Woods	732,232	271,792
St. Lawrence Flour	215,077	54,544
Inter. Milling	613,453	1,025,157
Western Canada	414,724	328.096

These figures show in each instance net earnings from operations and do not take into consideration funded debt, depreciation, etc. Earnings of

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Background of Canadian Business

By JOHN E. LANGDON,
Business Editor, The Financial Post.

WEEKLY REVIEW OF CONDITIONS

Favorable Crop Report Will Prove Beneficial to Business
Farmer's Purchasing Power Estimated Higher Than in 1926
Any Immediate Change in Trade Activity is Unlikely
Commercial Failure Record Continues at Low Level
Boot and Shoe Output Passed Ten Million Pairs Mark

ANY doubt which manufacturers or business men may have had in regard to agricultural returns this year, have been dispelled by the exceptionally favorable crop report issued by the Government this week. For the last two or three weeks, crop reports emanating from the West have not been particularly cheerful. That this has had an ill effect on business none will deny. It was generally expected that the Government's preliminary estimate of yields would be below that of last year, but the prediction that the crop would be the second largest in history—always provided that good weather is experienced during threshing — has created a marked feeling of optimism in business circles.

Plans for fall and winter operations can now be made with more or less certainty, as the purchasing power of the people will equal if not exceed last year's. Last fall, the Financial Post Survey estimated that the field crops would result in a revenue of 1,677 million dollars, which was later verified by the Government's official report. What this year's harvest means in dollars and cents and spending power of the Canadian farmer and his family, is indicated by the following approximate tabulation, prepared by the Government.

Wheat	$573,000,000
Oats	250,000,000
Barley	63,000,000
Rye	15,300,000
Flax	9,500,000
Hay	165,000,000
Totals	$1,075,800,000

Two Billion Dollar Revenue

To these figures must be added the values of allied products of the farm. Based on the average of the last few years, would run approximately as follows:

Dairy produce	$275,000,000
Potatoes	83,000,000
Fruits	50,000,000
Farm animals	150,000,000
Poultry and eggs	70,000,000
Totals	$628,000,000

This makes a grand aggregate of money which Canadian farmers will receive this year harvest of something like 1,700 million dollars. In other words, the per capita purchasing power of the rural population in 1927, is expected to set a new record.

Will Watch Trade Horizon

The trade horizon will be watched more closely than usual this September. The sustained carryover of high production from 1926 lasted well into the summer months, but the slight decline in activity during the past few weeks is not taken too seriously. Lower production of automobiles and iron and steel can be easily explained, while on the other hand, building, textiles, retail trade have held up remarkably well. That there will be any immediate business change is unlikely. September is usually a featureless month, and a definite summing up of fall and winter business will not be possible until the latter part of October.

Last year produced such exceptional trade activity in midsummer that the Autumn expansion was relatively slow. But in 1925 and 1924, in each of which years midsummer production had been very slack, the later autumn months brought increases. Current estimates of trade activity have not been unusually favorable, but cumulative totals of production are equal to and in many cases in excess of similar figures for 1926. Whether or not there will be an upward surge in activity during the balance of the year is, of course, problematical but given an even break, final results of the year should compare favorably with last year's record figures.

A favorable sign of business conditions is to be seen in the government report on commercial failures, As compared with the same month last year, the number of assignments during July last, show a considerable decrease, while the liabilities of the assigners also show a decrease. Commercial failures in Canada in July last numbered 110, as compared with 140 in the same period a year ago and 138 in June, 1927. Liabilities of the assigners amounted to $2,026,449, compared with $2,352,078 in July, 1926 and $2,437,981 in June, 1927.

Figures for the first seven months of the current year, show little change from those of the corresponding period of last year. Failures show an increase of only 6 in number, but on the other hand, liabilities are less. In comparison with 1925, 1924, 1923 or 1922, results this year are even more favorable. Tabulated returns show that manufactures, logging and fishing, mining, construction and service are the only branches of business to record an increase in failures over last year. That trading establishments are more firmly established, is evident from the fact that the number of failures in this classification declined from 465 to 441.

Leather Industry Active

That the leather industry is experiencing better times, is indicated by the monthly returns on boot and shoe production. While output has fluctuated from month to month, the average has been appreciably above that recorded for 1926. For the first seven months of 1927, production amounted to 10,191,993 pairs, or an average per month of 1,455,999 pairs, compared with a total for the corresponding period of 1926 of 9,931,679 pairs and an average per month of 1,418,810 pairs. It is interesting to note that this production is equal to one pair of boots or shoes for every man, women and child in the Dominion. Final figures for the year will likely show an output equal to 1½ pairs per capita.

Car loadings of revenue freight for the 35th week of the current year show a decline as compared with the previous week and are less than in the same period of 1926. There was a drop in the loadings of nearly all commodities, especially grain and grain products. The movement of the new crop this year is later than it was in 1926, consequently comparison is not entirely practicable. Merchandise showed a slight decline, as compared with last year, the first in some weeks.

Cumulative figures show little change, the difference being largely in favor of 1927.

Agricultural Survey

Another Bountiful Yield
Good Weather Aids Crop
Wheat Markets Weak
August Exports Larger
U. S. Crops Below Average

Second largest grain crop in the Dominion's history, is the government's prediction for 1927. Two weeks ago, this estimate would have been seriously doubted, but weather conditions of late have been so propitious that the whole situation has been materially changed. It is now estimated that the wheat crop will approximate 458,741,000 bushels, an increase of 101,000,000 bushels over the August estimate, 50,000,000 bushels over the final yield, and 16,000,000 bushels under the record of 1923. The total yield of oats is estimated at 502,199,000 bushels, as compared with the August estimate of 419,000,000 bushels and a total yield of 419,000,000 bushels last year. Estimated yields of other principal field crops, together with 1926 figures, are as follows:

	1927	1926
Barley	98,049,000	99,684,000
Rye	17,462,000	12,113,000
Flaxseed	5,100,000	5,947,000
Hay and Clover (tons)	16,254,000	14,916,000

Since the beginning of the farming seasons, reports from the West have been bearish. A late start, damage from frost, rust, sawfly and other causes, has been considered serious. On the other hand, Alberta from week to week reported uniformly good conditions and of late has been forecasting a record yield. Due to the splendid conditions in that province, the decline in Manitoba has been more than offset and the slight increase in Saskatchewan yields augmented to such an extent, that the Government is able to make an estimate of such an encouraging nature.

Prairie Yields Larger

For the three Prairie Provinces the preliminary estimates of total production as compared with the finally estimated production in 1926, within brackets, in bushels, are as follows: Wheat, 432,223,000 (383,440,000); oats, 332,494,000 (220,453,000); barley, 77,613,000 (81,614,000); rye 15,716,300 (10,326,000); flax seed, 5,021,500 (5,831,000. By Provinces the yields in bushels are: Manitoba, wheat, 36,224,000 (51,667,000); oats, 50,917,000 (52,517,000); barley, 37,055,000 (50,898,000); rye, 3,042,300 (3,586,000); flaxseed, 1,414,400 (2,043,000). Saskatchewan, wheat, 227,137,000 (218,643,000); oats, 172,972,000 (110,726,000); barley, 26,110,000 (21,896,000); rye, 8,605,000 (5,396,000); flaxseed, 3,439,000 (3,706,000). Alberta, wheat, 168,862,000 (113,120,000); oats, 108,655,000 (57,210,000); barley, 14,448,000 (8,910,000); rye, 4,069,000 (1,344,000); flaxseed, 168,100 (82,000).

Good weather is still required for the completion of the harvesting and threshing operations. Damage from frost is still possible. Granted favorable conditions, however, the harvest of the West this year will be second only to the bountiful crops of 1923.

In view of this marked change in the situation, wheat markets have been depressed. Demand from English importers for Canadian spring wheat, is improving and a moderate amount of business has been done for September delivery. The uneasy market situation, however, will probably curtail any heavy commitments, except those for immediate delivery. American buying has not manifested itself to any extent.

August Shipments Large

Owing to a much improved demand from European countries, the volume of lake shipments from Fort William and Port Arthur to the eastern seaboard was appreciably larger in August than in either of the two preceding months, the Board of Grain Commissioners reports. Wheat, barley and rye, were all in good demand, partly owing to the very wet weather experienced in Western Europe as the new crops were being harvested, and the consequent necessity for quantities of dry grain to mix with native supplies before milling.

The recent ruling of the Board of Railway Commissioners regarding railway freight rates will have an important bearing upon the routing of the crops, particularly export grain, which cannot be estimated until its effects are fully demonstrated. The reduction of the rail rate from the head of the lakes or Armstrong to Montreal and Quebec may have an important influence on the lake rates to those points as providing an alternate route when rates for all lake or lake and rail movements are no cheaper.

U. S. Crops Below Average

Condition of American crops on September 1st, is given by the Department of Agriculture as slightly below the 10-year average. The winter wheat yield is estimated at 553,000,000 bushels, and that of spring wheat 308,125,000 bushels. The latter is 17.3 per cent. below the average. Other grain yields are estimated as follows: oats, 1,191,396,000 bushels; barley, 259,416,000; rye, 61,500,000; and flaxseed, 23,950000.

The Eastern provinces have also benefited by the improved weather conditions. Harvesting is well underway in Ontario and though a little backward in Quebec, will be general in a week's time. The corn crop in Ontario is expected to be light this year but this is offset by the heavy fodder crops. Haying is completed in the Maritimes. All the fruit growing areas report smaller yields this year, although the decrease in most instances is not overly great.

Business Conditions in United States

Measured by check payments, the dollar volume of business in the United States during the week ended September 3 was smaller than in the preceding week but slightly higher than a year ago, according to the weekly statement of the Department of Commerce. Wholesale prices again averaged higher than in the preceding week but were still below the level of last year. Prices of cotton continued to recover, while wheat prices receded from the level of the preceding week, but were still higher than in the corresponding week of last year. Iron and steel prices averaged higher than during the previous week, but were lower than last year.

Loans and discounts of Federal reserve member banks showed relatively little change from the previous week, but were higher than a year ago. Prices of stocks listed on the New York stock exchange showed little change from the previous week but were higher than last year. Interest rates on call loans, showing no change from the preceding week, were substantially lower than for the same week of last year. Bond prices showed no change from the preceding week, but were higher than in the corresponding week of 1926. Interest rates on time money were substantially lower than in the same week of last year, but showed no change from the previous week. The Federal reserve ratio receded somewhat from the preceding week, but was substantially greater than in the same week of last year. Business failures were less numerous than in either the previous week or the corresponding week of 1926.

Output of bituminous coal during the week ended August 27 was larger than in the preceding week but smaller than in the same week of last year. The cut of lumber during the same week was smaller than in the previous week but larger than a year ago. Beehive-coke production increased over the preceding week, but was substantially smaller than in the same week of last year. Petroleum production again receded from the preceding week, but was still well above the corresponding week of 1926. Receipts of wheat at primary markets were running larger than a year ago. Cattle receipts were smaller than last year, while hog receipts were greater.

Weekly Business Indicators

Relative numbers, average 1923-25—100

	Aug. 27 1927	Aug. 28 1926
Bituminous-coal production	100.0	115.1
Lumber production	105.5	108.2
Beehive-coke production	45.3	73.9
Petroleum production (daily average	120.4	104.5
Freight-car loadings		118.5
Building contracts (27 states)	119.2	171.4
Wheat receipts	169.7	137.0
Cotton receipts	75.0	61.2
Cattle receipts	105.1	102.2
Hog receipts	62.2	59.0
Price No. 2 wheat	98.6	95.8
Price cotton middling	80.9	70.2
Price iron and steel composite	87.5	90.8
Fisher's price index	91.4	95.3
Bank loans and discounts (total)	116.5	112.6
Debits to individual accounts	103.2	102.5
Interest rates, call money	84.8	115.1
Business failures	90.7	89.9
Stock prices	180.3	137.2
Bond prices	109.4	106.0
Interest rates, time money	91.4	108.6
Federal reserve ratio	101.3	97.3

Canadian Business Indicators

Compiled weekly by The Financial Post

	Latest This Year	Latest Last Year	To Date This Year	To Date Last Year
Production—				
Pig iron, tons (July)	50,997	67,232	454,710	438,096
Steel, tons (July)	55,250	64,847	542,560	496,031
Newsprint, cwts. (June)	170,590	158,601	996,673	893,753
Automobiles (July)	10,987	15,208	137,795	140,085
Boots and shoes, pair (July)	1,344,232	1,485,225	10,191,993	9,931,670
Flour, bbls. (June)	1,314,212	....	8,105,839	9,024,000
Construction—				
Contracts awarded (Aug.)	$29,881,000	$31,696,000	$272,986,000	$260,104,000
Building Permits (July)	$16,511,011	$18,683,415	$97,957,430	$97,443,834
Labor—Employment index (Aug.)	....	....	102.2	104.2
Transportation—				
Car loadings (to Sept. 3)	63,260	66,254	2,133,269	2,026,947
C.P.R. gross (July)	16,028,713	16,598,421	104,871,277	101,826,207
C.P.R. net (July)	3,126,786	3,921,135	16,139,086	17,877,823
C.N.R. gross (July)	21,032,354	21,278,013	150,731,168	146,739,904
C.N.R. net (July)	2,466,981	3,465,006	16,537,769	19,022,741
Population—				
Emigration (May)	5,259	......	26,775	......
Immigration (July)	12,288	16,227	89,722	64,531
Trade—(July)—				
Imports	$91,368,667	$88,604,911	$625,237,583	$575,550,459
Exports	$80,786,849	$111,594,796	$641,819,203	$715,947,953
Imports of key products (July)—				
Rubber, lbs.	4,710,102	......(12 mos.)	56,078,082	45,509,551
Cotton, lbs.	8,483,874	......(12 mos.)	142,872,077	133,790,399
Sugar, $	4,027,802	......(12 mos.)	42,054,313	34,198,072
Petroleum (gal.)	70,304,637	......(12 mos.)	756,649,175	613,795,257
Coke, tons (July)	58,011	......(12 mos.)	813,966	1,033,398
Exports of key products (July)—				
Newsprint (cwt.)	2,810,859	......(12 mos.)	36,090,901	31,710,901
Automobiles (pass.) (No.) (July)	3,289	4,158	39,513	42,991
Wheat, bus. (July)	6,620,131	16,306,486	111,750,670	110,601,296
Wheat Flour, bbl. (July)	449,200	978,339	5,066,870	6,275,962
Finance—				
Failures, number (July)	110	140	1,000	994
Failures, liabilities (July)	$2,026,449	$2,352,078	$16,385,381	$16,546,913
Bank Debits (July)	$2,687,000,000	$2,424,000,000	$18,705,000,000	$16,965,000,000
Bond sales (Aug.)	$7,701,015	$13,894,036	$324,464,800	$414,015,862
Stock prices index (Sept. 3)	....	....	400.2	215.3
Insurance sales (July)	$39,962,000	$40,101,000	$286,838,000	$268,918,000
Wholesale prices (1913-100)—				
General index (Aug.)	....	....	152.3	154.0
Iron (July)	....	....	143.6	143.7
Cotton	....	....	143.6	153.0
Grains	....	....	181.6	171.4
Cattle	....	....	123.5	109.0
Rubber	....	....	57.7	65.8

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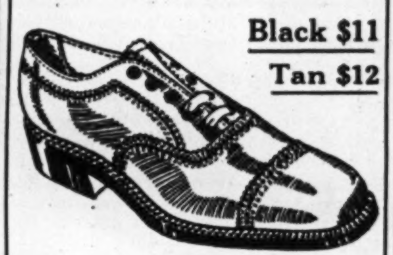

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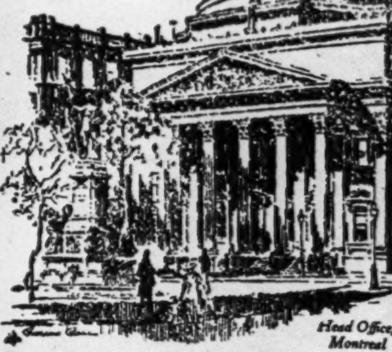

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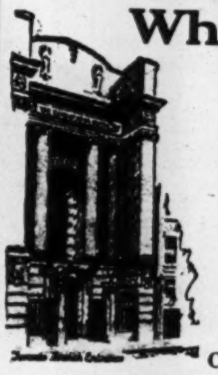

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on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
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By order of the Board.
WALTER F. WATKINS, *Secretary.*
Toronto, August 17th, 1927.

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Tells United States It Must Adopt More Generous Trade Policy

By DONALD M. MARVIN,

Economist, Royal Bank of Canada. Address to Fourteenth Annual Business Conference, Wellesley Hills, Mass.

Canada purchases more goods from the United States than any other country in the world. During the twelve months ending July 31, 1927, Canadian imports from the United States had double the value of the total goods shipped from the United States to South and Central America within the same period, or they were of greater value than the aggregate exports from the United States to France, Italy, Greece, Spain, Belgium, Austria, Hungary, Denmark, Norway, Sweden and the Netherlands. The United Kingdom alone made purchases equivalent to those made by Canada, but a large proportion of what is shipped to that market is re-exported and Canada finds herself the leading consumer of goods from the United States.

Canada's Present Position

In these days, when problems of distribution are receiving the same far-reaching economic and engineering analyses which were until recently reserved to production, it is a matter of course that careful studies should be made concerning the social and economic life of the consumer, with special reference to his earning or buying power as well as to his present and future requirements in terms of the goods which are to be sold. From this viewpoint it may be well to briefly summarize the present economic situation in Canada, giving some hint of the value of the natural resources which stand ready for development, some discussion of the difficulties with which the country is confronted and a forecast of the future trend of this trade—a subject of vital interest to both countries.

Canada is a country slightly larger than the United States, but with a total population somewhat smaller than that of greater New York. This comparatively small population has a higher per capita productive capacity than that of any other country in the world except the United States. At the present time, Western Canada is harvesting a 500 million bushel wheat crop and the total value of Canada's field crops in 1927 will be between a billion and a billion and a quarter dollars. The value of dairy products amounts to about $300,000,000 a year. Canada has a practical monopoly in the production of nickel and asbestos, and stands third in the production of gold and silver, while her known coal reserves are exceeded only by those of the United States and China. Recent mineral discoveries give strong indications that the Laurentian Shield which surrounds the southern end of Hudson Bay, is one of the most remarkable mineral bearing areas ever discovered. The annual value of Canada's forest products is close to 500 million dollars and more newsprint is produced in Canada than in any other country; there are, for instance, a number of mills in the Dominion which are producing newsprint at the rate of a mile a minute. The value of manufactured products amounts to three bilion dollars annually, and her per capita use of electric power is nearly double that of the United States.

Between 1912 and 1926 Canada advanced from seventh to second place in per capita foreign trade, and in actual volume of foreign trade this country, with only ten million inhabitants, stands fifth among the nations of the world. The correct ranking is as follows:

United Kingdom	$9,814,000,000
United States	9,237,000,000
Germany	4,866,000,000
France	3,857,000,000
Canada	2,292,000,000

Quicker Return in Canada

An audience well acclimated to promoters from various parts of the world may be a bit blase concerning the rich, undeveloped resources of South Africa; stories of the new and rich mineral prospects in South America; opportunities to build manufacturing plants in Australia or New Zealand, or to add untold amounts to the wealth of the world by opening up the trade with the Orient. These are all far away and commerce in those directions must, to a large extent, await the building of roads, railroads, the telegraph, the telephone and new shipping lines. A quicker return and a satisfactory profit subject to much less risk is obtainable by the investor, the importer or exporter who can find a field nearer home where the preliminary work has been completed, but where industry has not yet grown to a point which permits it to make adequate use of the natural resources available. Such, in short, is the situation in Canada to-day. Such are the reasons for the recent investment of three billion dollars of money from the United States in Canada and for the continued rapid growth of trade along the 3,000 mile border between these countries.

With several hundred million dollars a year of capital flowing in to develop new industries, Canada is in the midst of a remarkable period of healthy expansion. A rising tide of immigration is adding new increments to our population, an increasing productive capacity is improving our per capita purchasing power, and a rising standard of living is diversifying our wants in much the same manner as changing standards of living are producing the same result in the United States. Besides being near at hand, the Canadian public is already familiar with the various lines of goods, brands and advertising prevalent in the United States, since the same publications which have a large circulation in this country are found on the news stands throughout Canada. To a marked degree, expansion of your business into the Canadian market merely involves a direct increase in your present production rather than the more complex process of embarking upon the new and unknown difficulties of expansion into most foreign markets. But, Canadians naturally have a strong prejudice in favor of goods made in their own country. They have expressed this feeling in terms of a protective tariff much like the tariff you levy here. In order to deal with the obstacle presented by this, hundreds of your manufacturers have established branch plants or subsidiary companies in Canada. Between direct importations and the goods made by branches of United States concerns, a surprisingly large proportion of the purchases of the Canadian consumer are brands equally well known in the United States.

But U. S. Buys Less from Canada

But when we come to study the relationship between the Canadian exporter and the United States consumer, we find a strikingly different situation. In the year ending July 30, 1927, Canada's merchandise imports from the United States exceeded exports to that country by $225 million. Since the exports are largely raw products or only partially manufactured goods, and the imports finished products, this trade relationship has sometimes been regarded as an unhealthy one for Canada. Even this relationship has at times been violently upset by sudden changes in your tariff policy.

It required a number of years for Canadian production to adjust itself to the heavy protective duties levied by the United States at the end of your Civil War. The severe depression brought on by this measure drove Canada to announce a nationalistic policy of protection combined with preferences within he Empire, in order that our trade should no longer be exposed to the violent danger of such sudden interruption.

In the years prior to 1922, small towns along our side of the three thousand mile border had adjusted their trade to conform to your tariff requirements and they were shipping cattle and farm products to the corresponding cities at various distances across the line—New York, Buffalo, Detroit, Minneapolis and Seattle. With the imposition of the Fordney tariff in that year came a second great depression in Canada, due to the shutting off of an accustomed market. Within the last six months you have doubled the tariff on milk, once more adversely affecting a large number of Canadian farmers—consumers of goods from the United States. Now the purpose of this historical resumé is not to seek sympathy or condolence, but merely to ask whether you consider these moves as good business. Is this exactly the way you wish to treat your best foreign customer? Do you wish to drive Canada to the point where we must in self defence exclude all goods from the United States which can possibly be bought elsewhere, in places where we are permitted to sell more freely? In general, is it your plan to admit the goods of your foreign customers on as liberal a basis as is consistent with fair protection to your own manufacturers? Could you not in this matter build up your customer's wealth and increase his buying capacity? No Canadian will ever question your right to do as you please concerning tariffs, but we would like to suggest that not generosity but merely far-sighted selfishness on your part might prevent discrimination against the Canadian producer in order to permit his to become a more effective consumer.

Some of Difficulties Faced

Among the difficulties and hindrances to Canadian exports to the United States we might mention re-classifications and arbitrary rulings on the part of your customs authorities. When one considers the great expense and hardship inherent to diverting trade from its accustomed channels, it would seem that careful consideration should be pre-requisite to changes in tariffs or to new customs rulings. When you asked us to mark each shingle we sold you, "Made in Canada," we ceased to send you shingles until you needed them so much that you changed the ruling.

As your population grows you are going to have an increasing need for our wheat, milk, butter, beef, lumber, paper and other products. We believe that the present large volume of trade between the two countries is only the beginning of a vast commerce which will be of mutual benefit to the two peoples. We should like to increase our sales to you, not so much with any false and antiquated notions concerning the effects of an adverse balance of trade, as with the feeling that the increase in the volume of this trade will be mutually beneficial and that the contracts made in the course of this business will be the basis for an even closer friendship.

Opportunities Greater Than in States

Because of our relatively large resources and small population, we look forward to a period of expansion proportionately as great as that which took place in the United States in the last century. It is our firm belief that the opportunities open to the individual in our partially developed country are even greater than those which are now available in the United States where the situation is more static. We realize that settlers and investors from the United States are sharing to no small degree in the work and profit of our task, and we welcome your co-operation in building this nation to the north, knowing that as you make a steadily increasing investment in Canadian industry you will become correspondingly interested in measures making for the commercial prosperity of our country.

Dominion Bridge is Spectacular Performer

From Our Own Correspondent

MONTREAL.—The shares of the Dominion Bridge Company still continue to leap upward. The stock has probably been the most spectacular performer on the Montreal market this year. At the beginning of 1927 it was selling around $100 a share and now it changes hands at well over the $200 mark. New projects all over the Dominion indicate a satisfactory future for the company. In and around the city of Montreal the company has been successful in obtaining big orders. The steel work of the new head office of the Royal Bank was erected by this company and structural work continues on the new, large Montreal south shore bridge. In prospect in the city of Montreal there are two more large buildings—the Sun Life and the Bell Telephone Company. The Dominion Bridge is in an excellent position to obtain this new business.

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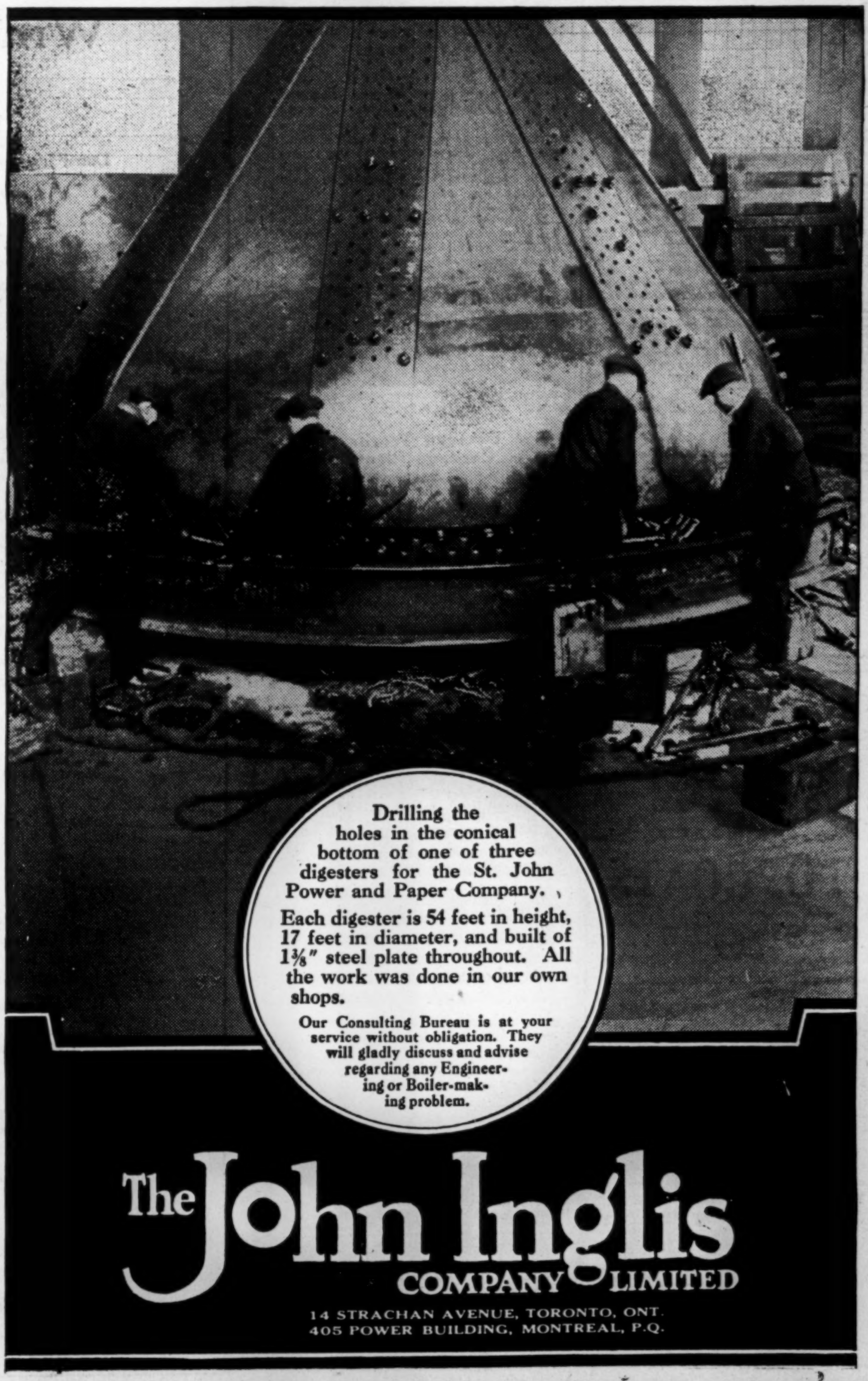
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TORONTO 2

NORTH. BAKERIES SHOW STRENGTH IN GOOD MARKET

Immediate Future May Depend on Dividend Action

After hovering between 28 and 30—or from one to three points above the issue price—for nearly three months, Northern Bakeries this week went above thirty and stayed there despite a number of selling orders. Apparently, a reasonable distribution of the stock has been obtained, since the early buyers were waiting merely an opportunity to ease themselves of too large a commitment.

It is reported that earnings equal $6 the share.

Expect Dividend Soon

There continue to be rumors of an early dividend. The cash position of the company is excellent and it is reported on good authority that the volume of sales is increasing at an even more rapid rate than was expected by the Canadian purchasers.

Northern Bakeries owns a number of bakeries operating under various names in Toronto, Montreal, Hamilton, etc. For several years these bakeries were owned by Continental Baking Co., Inc.

BUFFALO QUOTATIONS

Bonds	Bid	Asked
Bfo.-Ft. Erie Bridge 7s '55	107½	109
Do., 8s '45	108	110
Buff. Gen. Elec. 1st 5s '39	104	...
Bfo N & E Pow 5s, '30	102	104
Lockport L H & P 5½ '54	102½	104
N F 1st & Con. 6s 1950	105	106
Niag Lock & Ont. Pf.	113¾	114½

RAILWAY EARNINGS

Week end. Sept. 7	1927	1926	Change
C. P. R.	$3,787,000	$3,664,000	+$123,000
C. N. R.	4,863,168	4.652,464	+ 210,703

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MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Sept. 14	110.2	105.2
Week of Sept. 7	107.7	104.6
Month of Sept., 1926	85.9	80.0
9 Bank Stocks		
Week of Sept. 14	$288	$279
Week of Sept. 7	293	280
Month of Sept., 1926	226	223
10 Public Utilities		
Week of Sept. 14	$120	$117
Week of Sept. 7	120	116
Month of Sept., 1926	87	81

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	4	5	.	9
Paper	3	7	5	15
Steel	13	8	17	38
Foodstuffs	16	16	13	45
Utilities	10	11	10	31
Tractions	6	3	7	16
Textiles	8	2	7	17
Industrials	26	8	29	63
Total	86	60	88	234

Report Mackay Companies May Buy Marconi

A report comes from New York that the Canadian Pacific Railway might purchase a substantial interest in the Canadian Marconi Company caused conjecture in utility circles on the possibility that the Postal Telegraph-Commercial Cables system might use the stations of the Canadian radio company for transatlantic communication.

The Postal Telegraph has had a traffic agreement with the Canadian Pacific telegraph system for many years. While the Postal Telegraph made clear in a recent statement that it planned both Pacific and Atlantic radio transmission, no details of plans for the Atlantic have been made known.

The Mackay system recently provided for transpacific radio service by acquiring the transmitting stations of the Federal Telegraph Company.

Say Lake Ontario Brew Earns Over $4 on Shares

It is reported that earnings of Lake Ontario Brewing Co., which operates a modern beverage plant at Kingston, Ont., are running between $4 and $5 the share. The company initiated a $2 dividend rate on July 15th when a payment of 50 cents the share was authorized.

The capacity of the plant at Kingston is 200 barrels of beer or ale, together with a modern storage plant and other facilities. The property, 317 by 273 feet, is on the waterfront, with dockage facilities, and is unencumbered. The main building is of reconstructed brick, concrete and steel.

Interests concerned with the favorable reception of this stock point out that the brewers have the advantage over the distillers in that the distillers must keep their product in bond for several years, while such companies as Lake Ontario Brewing may sell their stock as soon as it is manufactured.

Twine Demand Works Cordage Plant to Full

Owing to the big wheat crop and export demand, mills of the Brantford Cordage Co. are working to capacity and it is reported that the day-to-day surplus twine could be loaded on a single motor truck.

The directors, September 14th, authorized the payment of the quarterly dividend of 2 per cent. on the first preferred shares of the company.

UNLISTED SECURITIES

	Bid	Asked
Burns, P., pref.	100	..
Brooks Motor, 1 pref. & 1 com.	3½	4½
Can. Machinery, com.	5	..
Can. Westinghouse, com.	175	..
Chase, A. W., com.	3	7
d., pref.	55	..
Dom. Combing Units	..	12
Fanny Farmer, com.	32	34
Do., pref.	34	36
Farmers Dairy, com.	115	..
Farmers Dairy, pref.	100	105
Goodyear Cotton, pref.	96	..
King Edward Hotel, Deb. A	70	72
King Edward Hotel, Deb. B	59	61
Loew's, Buffalo, pref.	33	37
Nat. Grocers, 1st pref.	94½	97
Nat. Grocers, com.	1	3
Mortgage Discounts, pref.	6¼	6¾
Toronto Finance, pref.	3	4½
Insurance—		
British America	32	..
Canadian Fire, Full Pd.	105	115
Canada Life	925	...
Canada National	15	18
Capital Life, 20% Pd.	20	24
Casualty of Canada, Full Pd.	180	..
Commonwealth, 10% Pd.	21	25
Confederation Life, 10% Pd.	70	...
Continental Life, 20% Pd.	50	56
Crown Life, Full Pd.	220	...
Dom. of Can. Guar. & Accident	310	...
Dominion Fire	105	..
Dominion Life, 50% Pd.	400	..
Excelsior Life 30% Pd.	90	...
Federal Fire, 25% Pd.	33	..
Fidelity of Canada, Full Pd.	120	140
Great West Life, Full Pd.	420	440
Imperial Life, 85% Pd.	385	..
Manufacturers Life, 45% Pd.	330	350
Monarch Life, 10% Pd.	39	42
Montreal Life, 20% Pd.	50	60
National Life, 25% Pd.	68	74
Ontario Equitable, 10% Pd.	31	33
Security Life, 40% Pd.	10	15
Sovereign Life, 25% Pd.	50	54
Sun Life, 75% Pd.	1050	..
Toronto Casualty	25	30
Western Assurance	40	...

STERLING APPRAISAL COMPANY
LIMITED
9 East. Wellington St., TORONTO
Sterling Security Reports are prepared by Registered Professional Engineers

CANADA MALTING SHARES STARTING CAREER STRONGLY

Opening Around 30 Leads to Belief Future is Excellent

Shares in Canada Malting Co. got off to an auspicious start in the Toronto market this week, selling at 29 and 30 from an issue price of $25 the share. There was a great deal of quick profit-taking by amateur and professional talent which has adopted a policy of rapid turnover in such instances, but the market remained firm in suceeding days and it is assumed that a great deal of the stock is being held as a semi-speculative investment.

Of similar character to several other issues which in recent months have interested the Canadian stock markets, the new Mara & McCarthy issue evoked interest, but not such enthusiasm as might have been expected from experience.

Expect Issue To Do Well

Of the 184,000 shares of common stock issued, 100,000 were placed on the market. It was announced that the issue had been oversubscribed in the first instance. There was considerable buying by subscribers whose allotments had been reduced. This buying, of course, was at from four to five points above the issue price and indicated a belief that the stock would do well in the weeks to come.

An unusual feature of the prospectus was the definite announcement that owing to 'the strong liquid position of the company," and as "earnings are at a satisfactory rate," it is the intention of the directors to consider at an early date the placing of these shares on a dividend basis of $1.50 per share per annum."

Current assets of the company were shown to be $1,711,725, as compared with current liabilities of $138,531. Current assets include approximately $225,000 in cash, call loans and government bonds, $450,000 in bills receivable and $907,000 representing inventory, supplies, etc.

Earnings for the last three years and the first nine months of the current year were certified to be (fiscal years ending October 31):

1924	$383,120
1925	364,665
1926	372,281
1927 (9 mos.)	243,075

The earnings for 1926 thus were slightly over $2 the share on the stock now issued by the new company, so that payment of dividends totaling nearly 75 per cent. of current dividends would be somewhat surprising unless the company anticipated a material increase in the profits due to the revision of the liquor laws in Ontario, and an increase in the consumption of legitimately prepared alcoholic beverages.

It will be noted, also, that the earnings for the first nine months of the current year have not been so high as the earnings for any one of the three previous years for which figures are given. If earnings for the last quarter are at the same rate as for the first three quarters, the year's profits will be $324,000, compared with $372,281 the previous year. If the company normally makes a greater profit in the last quarter than in other quarters, those who prepared the prospectus apparently have overlookeded a point which would be of interest to anyone contemplating purchasing the stock as an investment.

The stock, however, has the advantage of being sponsored by a brokerage house which has shown considerable skill in marketing issues of this kind. This, of course, makes the outlook favorable for most holders who are not contemplating a permanent acquisition of blocks of this stock.

The company has the advantage of an active management continuing from the Matthews family, which has controlled the enterprise for generations. Wilmot L. Matthews is president and Arnold C. Matthews is a director. H. C. Hatch, who is president of Gooderham & Worts and Hiram Walker, Ltd., is vice-president of Canada Malting Co. Also on the board are Messrs. Mara and McCarthy, Eric S. Clarke, E. G. Long, K.C., and Charles H. Michie.

DIVIDEND NUMBER 167

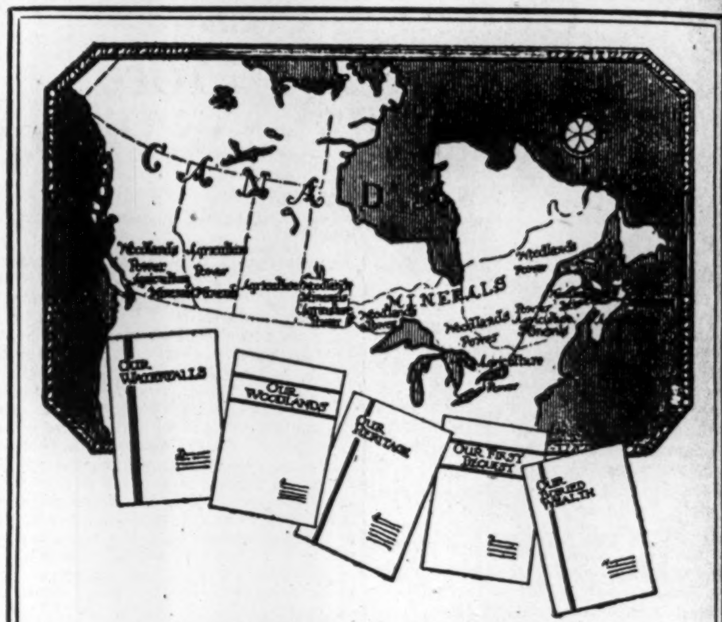
HOLLINGER CONSOLIDATED GOLD MINES, LIMITED

(No Personal Liability)

A dividend of 2% on the outstanding Capital Stock of the Company has been declared payable on the 7th day of October, 1927, on which date cheques will be mailed to shareholders of record at the close of business on the 21st day of September, 1927.

Dated the 14th day of September, 1927.

I. McIVOR,
Assistant-Treasurer.



Canada's Potentialities

Each year Canadians are becoming more familiar with the amazing possibilities of our untapped resources. To make this remarkable story of our heritage easy to grasp we have condensed it into five small booklets. These cover the basic industries of the Dominion. Copies on request.

NESBITT, THOMSON & COMPANY
LIMITED
Royal Bank Building, TORONTO, 2
Montreal Quebec Ottawa Hamilton
London, Ont. Winnipeg
602

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - $6,500,000

New Issue

$400,000.00

Windsor Court Apartments Limited
Windsor, Ontario

6% First Mortgage 15-Year Sinking Fund Gold Bonds

Dated June 1st, 1927. Maturing June 1st, 1942.

Principal payable in gold at the principal office of the Bank of Nova Scotia in Toronto, Ont.
Interest payable in gold (December 1st and June 1st) at any branch of the Bank of Nova Scotia in the Dominion of Canada at the holder's option.

Denominations: $1000, $500 and $100 in coupon bearer form but may be registered as to principal.
Trustee: Chartered Trust & Executor Co., Toronto, Ont.
Solicitors: Messrs. McAndrew, James & Evans, Toronto, Ont., for the Company.
Legal Opinion: Messrs. Long & Daly, Toronto, Ont., for W. A. Mackenzie & Co., Limited.

The 6% First Mortgage 15-Year Sinking Fund Gold Bonds of Windsor Court Apartments Limited are a legal investment for Canadian Life Insurance Companies.

SINKING FUND—The Trust Deed securing this issue of bonds provides that the Company will create a semi-annual sinking fund to be applied in the purchase or redemption of the said bonds amounting to the sum of $6,000 half-yearly, plus an amount equal to a half-year's interest at the rate of 6% per annum on all bonds previously acquired or redeemed or which should be acquired or redeemed for sinking fund purposes. The first of said sinking fund payments will be made to the Chartered Trust & Executor Company on the 1st day of June, 1930.

REDEMPTION—Bonds may be redeemed on any interest payment date before maturity and in whole or in part on thirty days' notice at 105 up to and including June 1st, 1932; thereafter at 104 up to and including June 1st, 1937, and thereafter at 103 in each case with accrued interest to date of redemption.

SECURITY—The Windsor Court Apartments Limited is the owner of property situated at the corner of Ouellette Avenue and Hanna Avenue in the City of Windsor, having a frontage on Ouellette Avenue and Dufferin Street of about 178 feet and a frontage on Hanna Avenue of 207 feet and has erected on the said lands a three-storey, basement and sub-basement apartment house. This apartment house contains 118 suites and a garage accommodating forty cars, and has been built according to the plans and specifications prepared by Messrs. Craig & Madill, architects. The bond issue above described is secured by a first closed mortgage on the above property, building and all other immovable assets of the Company now owned or which may hereafter be acquired and by a first floating charge on all other assets and the undertaking of the Company in favour of the Chartered Trust & Executor Company.

Fire insurance to the full insurable value of the building will be carried and this insurance will be made payable to the Trustee.

VALUATION—The land on which this building is located has been valued by Alexander Simmers, Realtor, 34 LaBelle Building, Windsor, Ont., at $100,000. The finished building has been appraised by Messrs. Craig & Madill, Architects, at $610,000, making a total valuation of $710,000.00.

EARNINGS—From the letter of the President, Mr. R. R. Corson, on file in our office, we quote an estimate of the revenue of the property as follows:

Gross Income, allowing vacancies of 10%	$99,096.00
Operating Expenses	24,750.00
Net Income	$74,346.00

or more than 3 times the amount necessary to pay first mortgage bond interest.

Directors:

R. R. CORSON, *President*, President and General Manager Rolph R. Corson, Ltd.; Director, Chartered Trust & Executor Co.

H. R. MOSES, Barrister.

WILFRED C. JAMES of Messrs. McAndrew, James & Evans, Barristers.

J. STANLEY MCLEAN, President and General Manager Canada Packers, Limited.

FRANK E. MAULSON of Irish & Maulson, Limited, Insurance Brokers, Toronto.

C. S. PETTIT of W. A. Mackenzie & Co., Limited.

The building will be ready for occupancy about this October 1st.

PRICE: 97.60 and accrued interest, to yield 6.25%

Orders may be telegraphed or telephoned in at our expense.

W. A. MACKENZIE & CO., LIMITED
INVESTMENT BANKERS
C. S. PETTIT, Member, TORONTO STOCK EXCHANGE
67 YONGE ST. Telephone: Elgin 7241 TORONTO 2, ONTARIO

The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

FOREIGN EXCHANGES

Exchange Market is Featureless

With the pegging of so many European currencies and lack of interest in others, the tendency to speculate in exchange is not so prevalent now as it was in pre-war days, when almost any unit selected, from sterling down, could be depended upon for wide fluctuations one way or the other in a few days. Dull business, slow trading and other similar phrases are being used to describe present situation. And there does not appear to be any prospect of a favorable turn in the market for many months to come.

The market during the past week was featureless. New York funds were quoted at a discount, ranging around 1-32. Sterling cotton and grain bills have begun to appear in large numbers, though in smaller quantities than this time last year. Offerings have not been heavy enough to depress the market. Traders are of the opinion that much of the cotton being sold this year is on a dollar basis and that the purchaser is finding the exchange, usually on the London market.

Interest was shown in Japanese exchange. Japan has been going through a period of reconstruction and stocks have dropped to levels ruling after the last earthquake. For the time being, however, there is little likelihood of a rise in the yen based on fundamental factors, but in view of the large short interest, a covering movement may take place which would force a substantial rise.

Argentine pesos were quoted at a new high. This despite the fact that the Bank of England has made further sales of gold to that country. Though the height of the export season has passed in Argentine, the country has drawn £1,750,000 in gold from London and about £4,000,000 from South Africa, indicating the strength of this year's upward movement in pesos.

New York Funds

	High (Discount)	Low (Discount)	High (Discount)	Low (Discount)
Sept. 8	Par	1-64	5-32	5-32
Sept. 9	1-64	1-32	9-64	5-32
Sept. 10	1-32	3-64	9-64	5-32
Sept. 12	1-32	3-64	9-64	9-64
Sept. 13	1-32	1-32	9-64	9-64
Sept. 14	1-32	1-32	9-64	9-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Sept. 8	4.85 7-8	3.91 3-16	5.43 1-4
Sept. 9	4.85 13-16	3.91 3-4	5.43 3-4
Sept. 10	4.85 13-16	3.91 3-4	5.43 1-2
Sept. 12	4.85 13-16	3.91 3-4	5.43 3-4
Sept. 13	4.85 15-16	3.91 7-8	5.44 1-2
Sept. 14	4.85 15-16	3.91 7-8	5.44 1-4

FOREIGN EXCHANGE

Par		Sept. 7	Sept. 14
13.90	Italian	5.44	5.44½
23.82	German	23.78	23.79
19.30	Belgian	13.92	13.93
84.85	Japan	47.20	47.00

Stock Market Record

WEEK ENDING SEPTEMBER 13

	Div. Rate	Yield Sept. 12	High for wk.	Low for wk.	Close Sept. 13	Close Sept. 6	Sales for wk.	Range, 1927 High	Range, 1927 Low
Banks—									
Commerce	12+1	4.59	290	278	280	291	783	295	228
Dominion	12+1	4.83	270	265	269	267	412	275	217
Can. Nationale	10	5.15	196	194	194	196	233	196	160½
Imperial	12+1	5.24	250	245	245	250	285	256	214
Montreal	12+2	4.06	349	341½	344	340	834	355½	272
Nova Scotia	16	4.16	394½	377	377	389	515	396½	298
Royal	12+2	4.37	330	312	315	330	1692	344	257
Standard	12	5.26	236	225	230	225	282	238	196
Toronto	12	4.18	287	280	287	280	556	287	227
Paper—									
Abitibi, com. (no par)	5	4.67	109½	106	108½	109½	2105	109½	82
Do. pref.	7	6.03	..	...	...	...	...	119	113
Belgo-Can., pref.	7	6.79	104	102¼	103	104	98	105¼	101
Brompton (no par)	$2	5.00	41	39½	40½	40½	2670	42¼	31
Fraser, pref.	7	6.86	102	101¾	101¾	101¾	19	102	96
Inter. Paper, c. (no par)	$2.40	4.44	56¼	53¼	54¼	56½	15400	60⅞	39½
Do. pref.	7	7.02	..	...	...	...	...	99½	98⅞
Laurentide	6	6.38	95	93¼	93½	94⅞	956	110¾	90
Price Bros., com.	2	3.27	62	61	62	61	560	63	51¼
Do. pref.	6½	6.20	104½	104	104	104	35	104½	100
Smith, Howard, com.	.	...	69	67¼	67½	68	250	69	59
Do. pref.	8	7.24	112	110½	112	111	15	112	103½
Span. River, com.	7	6.86	102½	101½	102	103	806	106½	97⅛
Do. pref.	7	5.98	117¼	117	117¼	120	80	121	110¼
Wayagamack (no par)	$3	3.65	83½	79	81½	80	3190	83½	46½
Steel and Steel Industries—									
B.E. Steel, com.	.	...	..	...	...	...	...	1⅝	½
Do. 1st pref.	.	...	19	17¾	17¾	20½	255	29¼	10
Do. 2nd pref.	.	...	1½	1¼	1¼	1¾	685	4	1
Can. Car & Found., com.	.	...	37½	36¼	36½	37	317	50¼	35
Do. pref.	7	8.00	87½	87	87	87½	295	94½	86¼
Can. Fairbanks, pref.	6	5.88	102	102	102	100	25	102	80
Can. Forgings, com.	.	...	..	...	...	...	...	27	18
Do. pref.	1½	...	..	...	...	...	...	87½	66
C.G.E., com. (par $50)	.	...	53	52	53	52	30	60	49
Do. pref. (par $50)	7	5.93	59	58½	59	59	250	61	55
Canada Iron, com.	.	...	..	...	...	...	...	15	12
Do. pref.	4	...	58	57	58	57	100	60	42
Can. Locomotive, com.	.	...	..	...	...	...	...	48	25
Do. pref.	7	8.53	..	...	...	...	...	89	80
Carr. Factories, com.	.	...	..	...	...	...	...	¼	¼
Dominion Bridge	4	1.88	220	195	220	195	19128	220	116¾
Dominion Coal	.	...	75	75	75	75	45	85	69
Dominion Iron, pref.	.	...	..	...	...	...	...	5	1½
Dom. Steel Corp., pref.	.	...	30½	30½	30½	32	200	32½	20
Ford Motor	15	...	..	...	...	...	...	475	436
Gould Pumps, pref.	7	7.00	..	...	...	...	...	100	100
Kelvinator, c. (no par)	.	...	7	6½	6½	6¼	65	15	6¼
Do. pref.	7	8.86	79	75	79	75	16	95	65
Massey-Harris, c. (no par)	.	...	39	37	37¼	39	12946	42¾	29
Do. pref.	7	6.49	108	107¾	108	107¾	412	109¾	103½
McKin. Ind., c. (no par)	.	...	22	22	22	23	10	25½	15
Do. pref.	7	7.36	..	...	...	...	...	87	93½
Do. Vot. Trust	.	...	23	22	22½	22	260	26¾	15
Ontario Steel, com.	4+1	4.76	105	105	105	105	5	105	78
Do. pref.	7	6.66	..	...	...	...	...	105	100
Page Hersey, c. (no par)	$3	3.84	79¼	77½	77⅞	79¼	1790	80¾	55½
Do. pref.	7	4.42	158½	157½	158	158	442	161	116
Pressed Metals, com.	3	6.66	45½	44	45½	43	230	46¾	34¼
Do. pref.	7	7.52	93	91	93	90	55	93	85
Russell Motor, com.	3	5.00	..	...	...	...	...	60	52
Do. pref.	7	7.07	99	99	99	98	5	99	90⅛
Steel of Canada, com.	7	4.32	162	159	160⅝	159	2646	165	117
Do. pref.	7	4.36	161	159½	161	160	238	166	127
Milling and Foodstuffs—									
Alta. Pac. Gr., c. (no par)	.	...	32¾	27½	32¼	28	5340	32¾	19½
Do. pref.	7	7.69	93	90	92	92½	368	93½	85
Arnolds, c. (no par)	.	...	14½	13¼	14	14½	210	26	10½
Do. pref.	7	8.64	82	81	81	82	15	95	81
Atlantic Sugar, c. (no par)	.	...	23½	23	23	23	206	32	21¾
Do. pref.	.	...	91	90	90½	90	70	101¼	90
B.C. Fishing, c. (no par)	$1.25	8 33	16	14¾	14¾	16	1595	22	14⅝
Do. pref.	7	8.86	80	77½	80	80	228	90	77½
Can. Bak., c. (no par)	.	...	29	28¼	29	28¼	35	38½	26
Do. pref.	7	6.96	100½	99¾	99¾	102	36	102	97
Can. Bread, c. (no par)	$6	5.08	118½	117	118½	121	325	121	90
Do. pref. (A)	7	5.73	122	121	122	121	49	122	108½
Do. pref. (B)	7	6.30	112	110	112	112	205	112¼	103
Can. Canners, com.	.	...	52	51	52	50	30	63½	21
Do. pref.	5	5.43	92½	92	92	92½	207	97	76
Canadian Salt	8	5.94	..	...	...	...	...	140	123
Christie Br., c. (no par)	$1.20	2.00	60½	60½	60½	61	100	66	38
City Dairy, c. (par $25)	3+1	2.50	165	155	160	155	615	165	79
Do. pref.	7	5.73	..	...	...	...	...	123	112
Cuban Can. Sugar, c.	.	...	..	...	...	...	...	5	1½
Do. pref.	.	...	26	26	26	28	5	37	26
Wm. Davies (A) (no par)	.	...	40½	38¾	40½	38½	255	45	25
Do. (B) (no par)	.	...	..	...	...	...	...	19½	9
Dom. Stores (no par)	$2.40	3.00	81½	79	79	81½	212	85½	65
Ham. Dairies, c. (no par)	.	...	30½	30	30½	29	92	33	24
Do. pref.	7	7.29	96	95½	95½	97	40	98½	95½
Inter. Milling, pref.	7	6.54	107½	106	107½	106	65	107½	104
Lake of Woods, c.	12	7.79	155	150	150	155	115	160	130
Do. pref.	7	6.08	115	115	115	113¼	5	118	110
Loblaw, com. (no par)	$1	1.58	64	63	64	64	67	65	48
Do. pref.	7	5.83	122	120	120	110½	85	122	107
Maple Leaf Mill., c.	.	...	65	62	65	61	100	73⅛	49
Do. pref.	7	7.14	98	98	98	99	15	101¼	94
Ogilvie Flour, c. (no par)	$5+10	5.00	300	298	298	309	77	300	205
Do. pref.	7	5.60	126	125½	126	126	22	126	120¼
Pure Gold Mfg. (no par)	$1.50	7.00	21½	21½	21½	21½	11	22	19⅛
Shred. Wheat, c. (no par)	$3	4.48	70	67½	69¾	67½	1959	70½	55
St. Law. Flour, c.	.	...	..	...	...	...	...	31½	25
Do. pref.	7	8.23	79½	79½	79½	79½	5	85	79½
Viau Biscuits, c. (no par)	.	...	16¾	16½	16½	17	100	26	16
Do. pref.	7	7.95	88	88	88	84½	5	92½	83½
W. Can. Fl., c. (no par)	$1.40	6.08	23½	23½	23½	24	10	29½	22
Do. pref.	6½	6.42	..	...	...	...	...	106	100
W. Groc., c. (no par)	$1	...	15	15	15	13	30	29	13
Do. pref.	7	8.97	78	77½	78	75	15	84	74¼
Utilities—									
Bell Telephone (Rts.)	.	...	9⅞	8⅞	9¼	9½	9368	10½	8
Bell Telephone	8	5.33	150	147	148⅛	149	926	158½	137
Calgary Power	.	...	..	...	...	...	...	50	50
Consumers Gas	10	5.37	186	183	186	183	268	186	171½
East Koot. Pr. (no par)	.	...	..	...	...	...	...	29¼	25
Do. pref.	7	7.36	..	...	...	...	...	98½	95
Inter. Util. (A) (no par)	$3.50	7.93	46	44	44	45	4862	46	28
Do. (B) (no par)	.	...	6¾	6¾	6¾	6¾	245	7⅝	4½
Jamaica Pub. Ser., pref.	7	6.94	..	...	...	...	...	105	97
Laurentide Power	5	4.76	105	105	105	106	20	120	105
Mackay, com.	7	5.44	120½	120½	120½	128½	15	132	108
Do. pref.	4	5.71	72	70	72	70	412	74	67
Mexican Light, c.	.	...	..	...	...	...	...	44	27
Do. pref.	.	....	96¾	93	93½	96	100	96¾	68⅛
Mont. L H & P (no par)	$2	2.22	71	71	71	78	14391	120	67
Montreal Teleg. (par $40)	8	5.20	..	...	...	...	...	52	49
Nor. Mexico Pr., c.	4	5.12	93	92	93	94	290	94	82½
Do. pref.	7	7.52	78	77	77	79	50	83	42
Ot. & Hull Pr., c. (no par)	.	...	..	...	...	...	...	30	26
Do. pref.	7	7.00	..	...	...	...	...	100	96
Ott. L. H. & Pr., c.	6	5.38	111½	110½	111½	110	50	111½	98½
Do. pref.	6½	6.25	104	104	104	104	24	107½	102
Quebec Power (new)	.	...	79	76¼	77	76⅛	12695	79	72
Quebec Power, c.	6	1.96	312	300	305	300	2637	312	190
Shawinigan (no par)	$2	2.19	92	88½	92	89¾	26650	93¾	67
S. Can. Pr., c. (no par)	2	2.00	101	98	101	98	286	101	85
Do. pref.	6	5.88	102	100¾	102	101	24	102½	99½
Transportation—									
Can. Pacific Rights	.	...	4⅞	3⅞	4⅛	4	11839	4⅞	3⅞
Can. Pacific Rly.	10	5.37	188	184⅛	185	187½	446	194½	166
Can. Steam., c. (no par)	.	...	36½	36	36	36¾	690	42	35
Do. pref.	6	6.46	92¾	91	92	91	2974	94¾	82½
Do. voting	.	...	..	...	...	...	...	37½	31
Tractions—									
Barcelona (par $50)	1	...	67½	67½	67½	67	20	67½	33½
Brazilian, c.	6	3.14	191¾	184¾	190	187	55402	191¾	102½
Do. pref.	6	3.75	160	154¼	160	155	1670	160	104
Detroit Un. Rly.	.	...	..	25	25	25	20	30⅝	25
Duluth-Superior	$2	8.00	25	...	...	...	...	5	2
Illinois Trac., pref.	6	6.09	..	...	...	...	...	98½	98½
Minneapolis S.S.	.	...	..	...	...	...	...	43½	42½
Mexican Trams.	.	...	..	...	...	...	...	21	19¼
Montreal Trams.	10	5.55	185	185	185	180¼	20	200	169
Ottawa Traction	4	6.06	66	66	66	65½	115	70	64
Porto Rico Rlys., c.	1	...	..	...	...	...	...	70⅝	59
Do. pref.	7	7.00	100	98	100	97	45	100	90
Twin City, c.	4	7.69	52	52	52	52¼	130	66	48⅝
Do. pref.	7	6.86	102	102	102	102½	2	103	100
Winnipeg Elec., c.	2	2.50	81	79	79¾	80	1606	81	60¾
Do. pref.	7	6.60	106	106	106	106	153	106	100¾
Textiles—									
Can. Conn. Cotton, pref.	4	8.74	45¾	45¾	45¾	45½	120	50	36
Can. Converters	7	7.00	100	98	98	99	99	107½	92
Can. Cotton, com.	8	6.66	123	120	123	120	175	132	115
Do. pref.	6	5.66	100½	100	100½	99¼	100	100½	95
Can. Woollens, com.	.	...	..	...	...	...	...	100½	95
Do. pref.	.	...	60	60	60	60	50	63½	59¾
Cosmos Imp., c. (no par)	.	...	31½	28¾	29¼	28¾	7214	31½	13
Do. pref.	7	7.00	101	99⅞	101	100	137	101	91¼
Dom. Textile, c. (no par)	$5	4.06	123¾	119½	120½	120½	2851	123¾	105
Do. pref.	7	5.73	..	...	...	...	...	123	117
Monarch Knit, c.	.	...	..	...	...	...	...	7½	7½
Do. pref.	.	...	..	...	...	...	...	54	49
Montreal Cottons, c.	6	5.26	114	114	114	115	7	117	110
Do. pref.	7	5.93	118	118	118	117	14	118	114
Penmans, c. (no par)	$4	5.13	78¼	78	78¼	78	280	79	70
Do. pref.	6	5.76	..	...	...	...	...	105	101
Wabasso Cotton (no par)	6	5.00	121	113	120	115	962	121	84
General Industrials—									
Amer. Sales, c. (par $20)	4	5.88	68	65	66	63	136	75	60
Do. pref.	7	6.84	102¼	101½	101½	101	160	102¼	97½
Asbestos Corp., c. (no par)	.	...	30	29	30	30	3553	31¼	20
Do. pref.	7	7.60	93¼	92½	93	93	1404	95½	82¾
Brant. Cord. pf. (par $25)	8	9.30	21½	21	21½	21½	330	25	20¾
Brewers & Distil. (par $5)	5	...	7½	7	7½	7	160	7½	4½
Building Products, pref.	7	7.00	100	100	100	99¼	10	100	93½
Burt, F. N., c. (par $25)	$3	4.76	63¾	62¾	63	62½	914	66	56½
Canada Cement, c.	6	3.07	195¼	180	192	181⅝	10275	195¼	124½
Do. pref.	7	5.72	123	122	122	122	272	124	116
C. Ind. Alc. (no par)	$1.28	3.36	38½	34	37¾	34	70410	38½	21¼
Can. Oil, c. (no par)	$1	4.50	24½	24	24¼	24	75	24⅞	21
Do. pref.	8	6.83	..	...	...	...	...	121	115½
Can. Bronze, c. (no par)	.	...	48	47	48	48	430	50¼	43
Do. pref.	7	6.93	101	100¾	101	101	270	101	98½
Crow's Nest Coal	6	11.00	56	54	54	54	105	71⅛	50
Dom. Glass, c.	7	5.41	129¼	120¼	127½	120	9290	129¼	104
Do. pref.	7	6.11	..	...	...	...	...	115	111¼
Dom. Rubber, pref.	7	9.33	..	...	...	...	...	30	24
E. Theat., c. (par $25)	.	...	..	...	...	...	...	30	24
Do. pref.	7	7.60	92	92	92	97	5	97	92
Famous Players, com.	.	...	33	32	33	30½	15	33	20
Do. pref.	8	8.33	96	95	95½	95¾	110	101	93½
Gilman, com.	6	5.46	..	...	...	...	...	112	109⅞
Do. pref.	7	6.08	..	...	...	...	...	125	110
Goodyear Tire, pref.	7	6.73	105	103½	104½	104	501	109	94½
Hayes Wheel, c. (no par)	.	...	32½	30	30¼	32½	660	34⅛	27¾
Do. pref.	7	7.21	..	...	...	...	...	98	91
Holt, Renfrew, c.	.	...	..	...	...	...	...	45	43
Do. pref.	7	7.60	..	...	...	...	...	92	85
Hunt's Ltd., c. (no par)	.	...	29½	28	29¼	28¼	375	29½	20
Do. pref.	7	7.52	93	93	93	92	20	95	90
Inter. Nick., com. (par $25)	$2	3.07	67⅛	64	65⅛	65½	20603	75	38
King Edward Hotel	$1	...	40	37	38	40	50	60	20
Lake Ont. Brew. (no par)	$2	7.47	29	27	27	29	920	31½	24
L. Secord, c. (no par)	.	...	40	38½	40	39	890	40	26
Do. pref.	7	5.73	124	120	124	117½	220	124	102
Lyall Construction	.	...	30	30	30	30	5	45¾	25
Loew's, com.	.	...	45	42	45	42	35	47	38
Do. pref.	7	7.00	..	...	...	...	...	105	96½
Muirhead's c. (no par)	50c	....	13½	11	13½	11	420	13½	8⅞
Do. pref. (par $10)	75c	...	13	12¾	13	13	140	13½	10⅞
Nat. Brew., c. (no par)	4	5.00	80½	78¼	79½	78	23273	80½	65
Do. pref.	7	6.36	110	108¼	110	108¼	834	110	105
National Brick, com.	.	...	..	...	...	...	...	10	8
Do. pref.	7	12.50	..	...	...	...	...	81	56
Pacific Burt, com.	6	6.21	97¼	96½	97¼	96	35	100	87
Do. pref.	7	6.25	112	110	112	110	38	112	102
Port Hope San., com.	4	2.42	..	...	...	...	...	165	125
Do. pref.	7	6.54	.	...	...	...	...	108	90
Rogers, Wm., com.	.	...	75	75	75	74½	5	80	64
Do. pref.	7	6.86	102	101½	101½	100	34	102	92
Seagram (no par)	.	...	21¾	21	21¼	21	4267	28⅞	15
Sher-Williams, com.	6	3.42	175	171	175	175	195	175	142
Do. pref.	7	5.83	119	119	119	120	10	120½	117
Standard Chem., pref.	.	...	..	...	...	...	...	20	15
Stanfords, c. (no par)	.	...	..	...	...	...	...	20½	19
Do. pref.	7	7.56	..	...	...	...	...	92	88½
Sterling Coal	.	...	27	25	25½	27	225	36	25
St. Maur. Val. Corp., com.	.	...	58	56½	58	57	187	58	47
Do. pref.	7	7.17	97½	95	97½	97	204	98	94½
Tooke Bros., com.	.	...	12	10	12	15	22	16	10
Do. pref.	7	9.72	72	72	72	72½	145	72½	65
Tuckett Tobacco, com.	4	5.00	..	...	...	...	...	80	69
Do. pref.	7	6.36	110	110	110	110	25	110	103¾
Woods Mfg., com.	.	...	..	...	...	...	...	46	39
Do. pref.	7	9.09	77	77	77	76¼	25	89	76
Trust and Loan—									
Can. Landed (par $50)	10+1	4.78	115	115	115	105	37	115	94
Can. Permanent	12	5.14	233	233	233	234	32	235	216⅛
Colonial Invest. (par $10)	6	...	..	...	...	...	...	7	5
Economic Trust (par $50)	4	...	53	53	53	53	145	53	53
Huron & Erie	7+½	4.96	..	...	...	...	...	152⅛	139
Landed Banking	9	5.23	..	...	...	...	...	172	161
Mont. Loan (par $50)	12+1	6.91	..	...	...	...	...	52¾	47
National Trust	12	4.78	..	...	...	...	...	255	232
Ont. Loan (par $50)	12	5.12	..	...	...	...	...	117	111
Real Estate Loan	7	6.86	..	...	...	...	...	105	100
Toronto Gen. Trusts	12	4.89	248	245	248	245	6	248	220
Toronto Mtge. (par $50)	10+1	5.27	107½	107½	107½	105½	20	107½	100
Union Trust	7	6.16	..	...	...	...	...	113½	104
CURB AND UNLISTED MARKETS									
Anticosti, pref.	7	7.12	..	...	...	...	...	98¾	98
Attendu Engine (par $1)	.	...	16	15	15½	15⅞	476	35½	14
B.C. Oilfields (par $5)	.	...	..	...	...	...	...	2⅝	2
Beacon Oil	.	...	15¾	15	15½	15	50	20¾	15
Belding, com.	6	8.21	..	...	...	...	...	88	67
Do. pref.	7	7.23	..	...	...	...	...	100	96¾
Brading Brew. (no par)	$2	...	..	...	...	...	...	35½	20
Brit. Amer. Oil (no par)	80c	3.07	27¼	26	27¼	26¾	18278	28	20
Can. Malting	.	...	31	27¾	29¼	...	20750	31	27¾
Can. Brewing (no par)	.	...	25½	24¾	25½	25	1585	30½	23
Can. Celanese (no par)	.	...	85½	80½	81	82½	495	85½	52¾
Do. pref.	.	...	94	93	93½	93	560	94	88
Can. Light & Power	.	...	44½	44½	44½	42	61	55	20
Can. Nor. Pr., c. (no par)	.	...	..	...	...	...	...	55½	42
Do. pref.	7	7.14	..	...	...	...	...	100	98
Carling Brew. (no par)	$2	7.40	28¼	27	27	28¼	1251	29½	27⅞
Cockshutt, pref.	4	4.96	82	79⅞	82	80	820	82	67
Continental Oil	$1	...	18⅝	18	18	17¾	55	22¼	16½
Cosgrave Brew. (par $10)	5	6.25	8⅞	8	8	8½	655	12	6
Cooksville Shale Brick, c.	.	...	12	12	12	11	14	14	10¾
Do. pref.	4	...	54	54	54	54	3	54	50½
Com. Alcohol (no par)	.	...	15	15	15	15½	25	70	15
Cuneo Press	.	...	..	...	...	...	...	58⅞	58
Dom. Engineering	8	4.21	190	189	190	190	55	190	135
Dom. Power, pref.	7	6.98	..	...	...	...	...	101	100¾
Dryden Power (no par)	.	...	14	13	13	13¼	25	15½	9½
E. Dairies, c. (no par)	.	...	46	44	45	43	758	46	20½
Do. pref.	7	7.21	97	97	97	98¼	33	98½	94
Eng. Elec., c. (no par)	.	...	..	...	...	...	...	18½	15½
Do. pref.	.	...	..	...	...	...	...	95	72½
Foothills Oil	.	...	3.05	3.00	3.00	3.00	2480	3.25	2.00
Goodyear, Tire, com.	.	....	86¼	85⅛	86	..	145	86¼	85¼
Good. & Worts (no par)	$1	2.12	49	47	47	49¾	815	64	48¼
Chas. Gurd, com.	50c	...	42⅞	41½	42	41¾	1928	43	28⅞
Do. pref.	7	7.29	97	96	97	96	65	97	93
Hiram Walker (no par)	$2	4.00	51⅞	49¾	50¼	51⅛	6270	57¼	28½
Illinois Power, pref.	7	6.98	100¼	100¼	100¼	100	5	101	98
Imperial Oil (no par)	$1+50	2.77	55¼	52¼	54⅛	52¼	50218	55¼	37¾
Imp. Tob., c. (par $5)	6	3.33	9	8¾	9	9	2705	10	6¾
Inter. Petrol. (no par)	75c	2.34	32¼	31½	31¾	31½	3553	35¼	28
Inter. Power, com.	.	...	25½	24½	25½	24¾	874	27	14½
Do. pref.	.	...	90½	89	90	89	57	90½	85
Loew's London, com.	25+5c	...	4¼	4¼	4¼	5¾	30	5¾	4¼
Manitoba Power (no par)	.	...	68	67	67	61½	818	68	50
McColl, c. (no par)	80c	1.77	46½	44	44½	45	4314	46½	22½
Mitchell, J. S.	.	...	30	30	30	30	30	32	28
Mount Royal, com.	.	...	..	...	...	...	...	6	3
Do. pref.	6	...	..	...	...	...	...	55¾	40
Perfection Glass	.	...	..	...	...	...	...	8	6
North. Bak. (no par)	.	...	31	28½	29	29	10032	36¾	25
N. Star Oil, c. (par $5)	.	...	1.50	1.50	1.50	1.50	400	2 55	1.15
Do. pref. (par $5)	7	...	..	...	...	...	...	5.01	4.90
N.S. Car, com. (no par)	.	...	23½	23	23½	23	105	25	18¼
Ott. Mtl. Pr., c. (no par)	.	...	..	...	...	...	...	25	19
Do. pref. (par $50)	7	7.14	..	...	...	...	...	49	47
Ott. River Pr. (no par)	.	....	..	...	...	...	...	26	23
Paton Mfg. Co. (no par)	.	....	..	...	...	...	...	60	25
Do. pref.	.	...	99	99	99	95	5	100	95
Port Alfred, pref.	7	7.25	97	96½	96½	96	90	97½	95
Power Corp., c. (no par)	.	...	55	50	53⅞	51	14025	58½	27¼
Do. pref.	6	6.17	97¼	97	97	97	60	97½	94
St. Maur. Power	4	...	150	145	147	144	717	152	96
Simpson, Robt., pref.	6	5.88	..	...	...	...	...	102	100
Port Alfred, com.	.	...	61	60	60	60½	349	61	55
Sovereign Secs. (par $5)	.	...	..	...	...	...	...	2.00	1.50
St. Law. Pap., c. (no par)	.	...	58½	58	58	55	415	63	35
Do. pref.	8	7.52	..	...	...	...	...	108	104
Standard Clay	.	...	..	...	...	...	...	40	38
Toronto Brew. (no par)	.	...	10¼	10	10	11	225	13⅛	10
United Secs., com.	.	...	62	60	60	60	100	70½	43½
Do. pref.	6	5.71	105	104	105	105	28	105¼	103¼
Volcanic Oil	$2.52	...	26⅞	25¾	26	25½	525	47¼	23
Venezuelan Pete. (par $5)	.	...	6	6	6	6¼	50	7½	6
Wallace Sand	.	...	..	...	...	...	...	3	2¼
Wolthausen (no par)	.	...	..	...	...	...	...	19	18
Zimmerknit (no par)	.	...	21	21	21	20⅛	105	23	18
Do. pref.	7	7.77	90	89½	90	89½	35	91¼	89½

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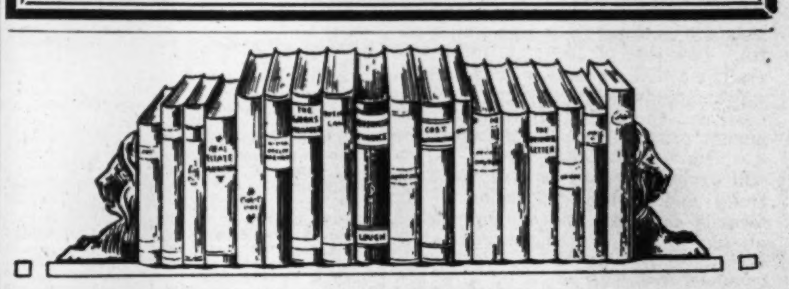

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AMERICAN TRADE IS SLOW BUT HOPEFUL SAYS COL. AYRES

No Impending Signs of Sharp Upturns in Situation

Business continues to be slow but hopeful, says Col. Leonard P. Ayres, vice-president of the Cleveland Trust Co. in a current review of conditions in the United States. The slowness is the result of the gradual decline in the production and marketing of goods that has been under way since last spring. The hopefulness is founded on the generally accepted belief that the current and prospective ease in money rates will bring about rather more than the usual autumn stimulation of industry and trade.

Industrial profits continue to be irregular, and on the average rather persistently smaller than they were during the corresponding months of last year. Commodity prices have given no clear indication of having terminated their long declining trend, but there have been of late a good many individual advances. The aggregate value of new construction projects for which contracts are let each month remains at almost record high levels. It is true, however, that an increasingly large proportion of these contracts is for public works and engineering projects, so that the building industry is distinctly slowed down in most localities, and real estate activity reduced.

Over Abundant Credit Supply

It now seems probable that during the remaining months of the year business will continue to be slow and hopeful. Two sets of economic influences are in conflict; the ease of bank credit, which should operate to stimulate business, and the declining trend of commodity prices, which tends to restrain it. The overabundant credit supply will probably result in still more activity and higher quotations in the security markets, and one by-product of that is likely to be the generation of a cheerful attitude on the part of business men.

One cannot be so confident, however, that this period of exceptionally easy credit conditions will bring about in the near future a sustained advance in commodity price trends. The abundance of bank credit seems to have been employed in the past few years by manufacturing industries to improve their mechanical equipment so as to produce greater volumes of goods at less cost. The easy terms for credit are likely, however, to furnish an important sustaining influence for the construction industries.

Mexican Light and Power 5% Bonds Ready for Delivery

In pursuance of the arrangement approved at the meeting of the bondholders held on May 24, 1927, the 5% 2d mtge, 50-year bonds which are to be delivered in part satisfaction of the unpaid arrears of interest on the like bonds are now ready for delivery by the respective banks, where interest coupons Nos. 16 to 30, incl., have been surrendered, viz: In London, by the Bank of Scotland, 30 Bishopsgate, London, E. C. 2; in Canada, by the Canadian Bank of Commerce, Toronto and Montreal; in New York, by the New York agency of the Canadian Bank of Commerce. The bonds will be delivered against presentation of the tickets which were issued by the above banks respectively to holders on the surrender of their interest coupons Nos. 16 to 30 and the said banks will notify holders when tickets should be presented.

Holders of the 5% 2d mtge. 50-year bonds are further notified that they must lodge their bonds with the company in Canada or with its London agents, Canadian & General Finance Co., Ltd., 3 London Wall Buildings, London, E. C. 2, in order to have a memorandum endorsed thereon of the arrangement referred to above.

Wayagamack Benefits as Bag Firm Grows

MONTREAL.—It is reported that the management of the Bates Valve Bag Company has decided to erect another plant at Three Rivers, P. Q., and is considering, so it is reported, the erection of a plant in Ontario at Windsor or Walkerville. The success which this company is meeting is of importance to the shareholders of the Wayagamack Pulp and Paper Company as the Bates Valve Bag Co. purchases large amounts of kraft paper from the large Three Rivers paper mill. The kraft paper is converted into paper specialties including waterproof bags for cement and other similar commodities which have had such a satisfactory sale of late. Expansion by the Bates Valve Bag Company would mean an increased market for the Wayagamack Pulp and Paper Company's kraft production.

Superior Paper Mills Installs Second Unit

MONTREAL.—A second unit has been installed by the Superior Paper Mills, of Thorold, Ontario, which will increase the capacity of the plant. The new unit is turning out a specialty paper for pattern making and twisting and the machine is the first of its kind in Canada.

A large number of orders has been received, which will take care of the production for several months. The new product is much admired for its quality and texture. The original unit of the plant produces a 70 inch trim sheet in bond, featherweight, waxing, antique laid and colored covered papers, as well as thin catalogue paper.

The Superior Mills is now erecting a brick extension to its plant and business prospects are reported satisfactory.

Dividends Declared

	Rate	Date	Record
Page-Hersey, com.	75c.	Oct. 1	Sept. 20
Do., pref.	1¾%	Oct. 1	Sept. 20
Hiram Walkers	50c.	Dec. 15	Nov. 30
Canadian Oil pref.	2%	Oct. 1	Sept. 15
Can. Car pref.	1¾%	Oct. 10	Sept. 26
C. P. R. com.	2½%	Oct. 1	Sept. 1
Do., pref.	2%	Oct. 1	Sept. 1
Belgo Paper, Com.	1½%	Oct. 10	Sept. 30
Do., pfd.	1¾%	Oct. 1	Sept. 2
How. Smith Paper, pf.	2%	Oct. 10	Sept. 30
Central Can. Loan	3%	Oct. 1	Sept. 15
Landed Bkg. & Loan	2½%	Oct. 1	Sept. 15
Mackay, com.	1¾%	Oct. 1	Sept. 3
Do. pref.	1%	Oct. 1	Sept. 3
Canada Landed	2½%	Oct. 1	Sept. 15
Huron & Erie Mtge.	1¾%	Oct. 1	Sept. 15
Muirheads Caf. com.	50c.	Oct. 1	Sept. 15
Can. Mtge. Invest.	3%	Oct. 1	Sept. 15
Bank of Nova Scotia	4%	Oct. 1	Sept. 15
Winnipeg Elec. pfd.	1¾%	Oct. 1	Sept. 6
Bell Telephone	2%	Oct. 15	Sept. 23
Dominion Bank	3%	Oct. 1	Sept. 20
Carling Brew.	50c.	Oct. 1	Sept. 10
Shawinigan	50c.	Oct. 10	Sept. 23
Can. Permanent	3%	Oct. 1	Sept. 15
Hayes Wheels, pfd.	1¾%	Oct. 1	Sept. 20
Power Corp., pf.	1½%	Oct. 15	Sept. 30
Can. North. Pr. pfd.	1¾%	Oct. 15	Sept. 30
Ontario Loan	3%	Oct. 1	Sept. 15
Wabasso	$1+50c.	Oct. 3	Sept. 15
Nat. Brew. com.	$1	Oct. 1	Sept. 15
Do., pref.	1¾%	Oct. 1	Sept. 15
Brazilian	1½%	Oct. 15	Sept. 15
Hillcrest Coll. com.	1½%	Oct. 15	Sept. 30
Do., pref.	1¾%	Oct. 15	Sept. 30
St. Maur. Valley pfd.	1¾%	Oct. 1	Sept. 15
Ham. U. Theatre pf.	3⅛%	Sept. 30	Sept. 15
Toronto Mtge.	2½%	Oct. 1	Sept. 15
Toronto Gen. Trusts	3%	Oct. 1	Sept. 15
Chas. Gurd pref.	1¾%	Oct. 1	Sept. 15
Do., com.	50c.	Oct. 1	Sept. 15
St. Maur. Pr. com.	1%	Oct. 15	Sept. 30
Alta. Pac. Grain pfd	1¾%	Oct. 1	Sept. 15
Jam. Pub. Service pfd.	$1.75	Oct. 1	Sept. 19
McKinnon Ind. pfd.	1¾%	Oct. 1	Sept. 15
Twin City com.	—$1	Oct. 1	Sept. 13
Do., pref.	$1.75	Oct. 1	Sept. 13
Duluth-Sup. pfd.	$1	Oct. 1	Sept. 15
Nor. Mex. pr. com.	1%	Oct. 1	Sept. 16
Do., pref.	1¾%	Oct. 1	Sept. 16
Can. Gen. Elec. pfd.	1¾%	Oct. 1	Sept. 15
Amer. Salesbook com.	$1	Oct. 1	Sept. 15
Gilman Ganfield com.	1½%	Oct. 1	Sept. 15
Do., pref.	1¾%	Oct. 1	Sept. 15
Laurentide Co.	1½%	Oct. 3	Sept. 17
Sher.-Williams com.	1½%	Sept. 30	Sept. 15
Do., pref.	1¾%	Sept. 30	Sept. 15
Brit. Amer. Oil	20c.	Oct. 1	Sept. 14
Barcelona Tr. pfd.	1¾%	Sept. 30	Sept. 21
Goodyear Tire pfd.	1¾%	Oct. 1	Sept. 15
Inter. Nickel, com.	50c.	Sept. 30	Sept. 16
Can. Steamships pfd.	1½%	Oct. 1	Sept. 15
National Trust	3%	Oct. 1	Sept. 20
Laura Secord pfd.	1¾%	Sept. 30	Sept. 15
Am. Cyanam. com.	1½+½%	Oct. 1	Sept. 15
Do., pref.	1½%	Oct. 1	Sept. 15
Inter. Utilities "A"	87½c.	Oct. 15	Sept. 30
Hunts, pref.	1¾%	Oct. 1	Sept. 15
Can. Locomotive pfd.	1¾%	Oct. 1	Sept. 20
Dom. Stores	60c.	Oct. 1	Sept. 15
Inter Paper pfd.	1¾%	Oct. 15	Oct. 1
Dom. Textile com	$1.25	Oct. 1	Sept. 15
Do., pref.	1¾%	Oct. 15	Sept. 30
Imperial Tob. com.	1½%	Sept. 29	—
Do., pref.	3%	Sept. 30	—
Alt. L., H. & Pr. com.	1½%	Oct. 1	Sept. 15
Do., pref.	1⅝%	Oct. 1	Sept. 15
Price Bros com.	½%	Oct. 1	Sept. 15
Do., pref.	1⅝%	Oct. 1	Sept. 15

No Visible Betterment in Pulp & Paper Market

From Our Own Correspondent

MONTREAL.—The Canadian pulp and paper industry is looking anxiously for the anticipated seasonal increase in the demand for newsprint and chemical pulp. The summer season just concluded has been most unsatisfactory. The demand for newsprint has been lower than was anticipated and the demand for sulphite pulp has been poor.

There is usually a summer slump in the demand for pulp and paper products on this continent which is later followed by a revival of activities during the autumn months. This year, due to spotty business conditions in the States the earnings of the newsprint companies will be below last year's level and unless there is a material betterment in the demand for sulphite pulp this autumn the sulphite pulp producers will also perhaps show earnings a little lower than a year ago. At the moment there appears to be no visible betterment in the markets.

Quebec Pulp & Paper Sale to be Ratified

From Our Own Correspondent

MONTREAL.—On October 3 next the shareholders of the Quebec Pulp and Paper Mills will meet to consider the sale of their property to Price Brothers and the Port Alfred Pulp and Paper Corporation. As the directorate of the Quebec Pulp and Paper Mills is unanimous in recommending the acceptance of the offer to the shareholders, the sale is assured.

When Price Brothers and Company and the Port Alfred Pulp and Paper Corporation take over the Quebec Pulp and Paper Mills, the new company to be formed will be operated as a distinct unit, and it is thought that the properties and assets of the Quebec Pulp and Paper Mills will be developed on a constructive basis. The property will change hands not later than November 30 of this year. The purchasers have not yet made any decisions regarding the future operations of their new subsidiary.

Many I. P. Co. Debentures Are Now Being Converted

From Our Own Correspondent

MONTREAL.—The International Paper Co. is to redeem $10,000,000 of its outstanding 6 per cent. convertible debentures. The debentures have been called for October 1 next. The last balance sheet showed that there were $25,000,000 of these 1941 debentures outstanding.

The holders of the debentures which are being called, though, still have the right to convert their holdings into cumulative, 7 per cent., preferred stock, par for par, and also to purchase two new shares of common stock at $40 per share. The right of converting the called debentures naturally expires on October 1 next also.

The debentures which are still to remain outstanding are convertible on the foregoing terms only by October 1 of next year. It is understood that many of the holders of the debentures which have not been called are now being converted into preferred. As the International Paper's preferred is now selling at over par, and as the common is changing hands at around $56 a share, it is obvious that the conversion looks attractive at the present time.

Sales of Beer Affect Dominion Glass Stock

From Our Own Correspondent

MONTREAL.—The shares of the Dominion Glass Company have been stronger. The reason for the increased prices is traced to the change of heart on the prohibition question by the voters of Ontario and elsewhere and also to the bettered business being experienced by the breweries in the province of Quebec. The latter is evidenced in the recent strength of the shares of the National Breweries Company, which is understood to be doing a business materially in excess of last year. The Dominion Glass Company has a strong hold on the Canadian bottle business and it naturally follows that any increase in the consumption of beer should affect the company's earnings favorably.

PORT ALFRED PULP & PAPER CORPORATION
Newsprint and Sulphite Pulp
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CANADA CEMENT COMPANY BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

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The Wabasso Trade Mark is a guarantee of highest quality cotton fabrics.
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QUEBEC
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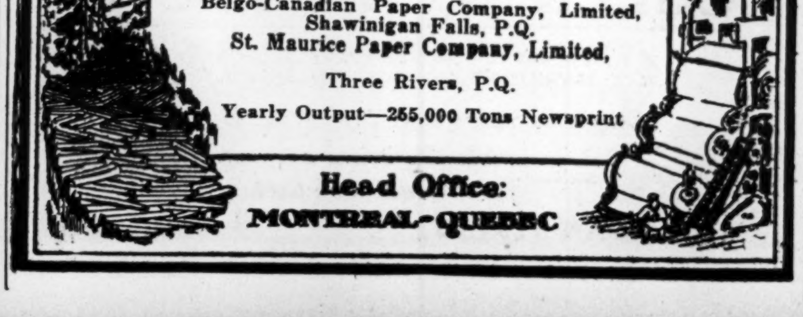
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EXPORT TRADE IS AFFECTED BY NEW FRENCH SCHEDULE

The Franco-German Trade Treaty Causes General Tariff Increase

Changes in the French tariff, effective September 6, will undoubtedly affect Canadian exports, but until arrival of the new schedule it is not possible to form an opinion as to the possible curtailment. The first concrete evidence of the new tariff, however, is to be seen in the increased rates on Canadian wheat from 20 cents to 27 cents approximately, per bushel. While Canada's export of wheat to France has fluctuated from year to year, the present change, on the basis of last year's export of 4,155,867 bushels, will mean an increase in the total French duty collected on Canadian wheat of nearly $280,000.

Canada has enjoyed up to the present the French minimum rates of duty, including most favored nations treatment on a specified list of goods; percentage reduction from the French general tariff on another list of goods, or, if lower, the rates of duty France applies to the United States products of a similar kind; and on all other goods, the French general tariff, without the increase made by decree of March 28, 1921, so long as the United States products are exempted from that advance of duty.

Frequent Rate Changes

These concessions were granted to Canada in exchange for certain advantages given to French exporters, under the terms of the commercial treaty between the two countries signed in 1922. Since that time, the rates have frequently been revised on account of the falling value of the franc. During the past year, two surtaxes, each of 30 per cent., were applied to Canadian goods. Unlike the Canadian tariff schedule, where an increase applies to a section or class an increase or decrease can be readily determined on a percentage basis, the basis French tariff had laid down a great many years ago still applies. Increases have been frequent, but instead of a general one, changes have been made on specific items, so that without a comparison of the new and old schedules, it is difficult to form a comprehensive idea of the new changes.

The present change has come about as a result of the new Franco-German treaty. These new schedules are separate from the schedules prepared for the new French customs law but probably will be incorporated into it.

Changes Are Many

Aside from a few specific items, the French tariff on Canadian goods is practically the same as that on products from the United States. Hence the following statement on the situation, prepared for the New York Times by a French customs expert, will be of interest to Canadian exporters:

"As a result of putting into effect the new commercial accord between France and Germany the situation will be profoundly changed as from the 6th of September. A certain number of products on List A will be submitted to the new minimum tariff accorded to Germany. Emery paper, copper, varnishes, soaps, fish glue, carbon paper, photographic supplies, leathers, steam engines, road machines, typewriters, calculating machines, agricultural machines, boilers, radiators, machinery parts, tools, locks, coffee mills and meat grinders are among the articles affected.

"As for the products contained in List B, the question has arisen whether they shall pay the minimum tariff accorded Germany or whether they shall pay the general tariff.

"For products for which by unilateral favor France had permitted the general tariff fixed prior to 1921 the situation seems clear. Whereas in the law of 1921 it was specifically stated that the increases did not apply to the United States, the new decree is silent as to the United States. Therefore, it appears that the United States must pay in conformity with the decree of Aug. 30, 1927, which, generally speaking, increases four times the old rates to arrive at the new minimum rates."

If the United States is not exempted, as mentioned in the last paragraph, then Canada will also have to pay as under the Treaty terms, this country pays the general tariff rates as in force before March 28, 1921, so long as the United States products are exempted from that advance of duty.

There appears to be some uncertainty as regards this point, but the Department of Trade and Commerce has received notice that, in addition to wheat, the tariff on kraft wrapping paper is increased from 51 francs to 80 francs; asbestos sheets, rectangular, 115 to 150 francs; asbestos sheets, other shapes, 230 to 250 francs; reapers and binders, weighing more than 400 kgs., 40.80 to 80 francs; mowers, 40.80 to 80 francs; prepared furs, free-17 to 18 per cent. ad. val. A new minimum tariff has also been established of 850 francs per 100 kgs. on aluminum utensils.

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Members of the recently organized Victoria investment house of Branson, Brown & Co., who succeeded R. P. Clark & Co.

WIDER MARKET FOR COD OIL IS PLANNED

Empire Marketing Board Investigates Newfoundland Industry

Investigation of the Newfoundland cod liver oil industry with a view to its further development under the aegis of the Empire Marketing Board, is the aim of Sir H. McKinder, Chairman of the Imperial Economic Committee, who recently arrived at St. John's.

It has been brought to the notice of the Imperial Committee that Newfoundland is the only place in the Empire producing cod liver oil of the very highest quality, and that every effort should be made to develop this industry, more especially as the greatest scientific experts have pronounced Newfoundland oil ten and twenty times more valuable than that of the Norwegian, which at the present time monopolizes the British market.

One of the largest potential markets for this commodity is in England. Owing to the strong hold which the Norwegian producers have upon this market, Newfoundland oil has never been properly exploited.

British Medicos Approve

Some time ago, the London Lancet, the leading British medical journal, published special articles prepared by Dr. J. C. Drummond, the Chairman of the British Research Council, which attracted much attention. To such an extent was the Newfoundland product boomed, that the Norwegian Government instituted at once an advertising campaign on a very large scale in all the principal medical journals, claiming for Norway oil all the fruits of the numerous researches. They were ready to sell their oil at very low prices, and ignoring the Newfoundland product wholly, except to point out that the quantity manufactured in Newfoundland was a mere bagatelle of the requirements of Great Britain, therefore, it is little wonder that no Newfoundland cod liver oil has reached the British Isles during the past two years.

Island manufacturers of cod liver oil have received so little encouragement from Britain that they have been working almost wholly with the leading druggists and chemists in the United States. This has not been the best policy in view of the limitation of markets, but it is expected that Sir. H. McKinder's visit will result in the opening up of the British market for Newfoundland oil.

New Westminster Wood Plant

The International Wood Products, at New Westminster, have begun construction of their new mill, which will have a capacity of 100,000 feet per day.

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"No one else can read my notes."

"I'm nothing but a bell-hop."

"These endless notes make me dizzy."

"I'm sure he said that, but...."

"Yes, I do mind staying late."

"Cold notes are maddening."

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George S. Moffat

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George S. Moffat, who dictated these words, is not given to frills. But when modern equipment is a real unit of production, he's for it, especially when it prevents wasted effort and is always ready for duty when wanted. As Sales Manager of Moirs, Limited, thriving manufacturers of chocolates in Halifax, Nova Scotia, Mr. Moffat's job is to sell his firm's products,—and his Dictaphone aids him immensely.

"Dictation in our office," continues this executive, "has to be done mostly at odd times, often in the evening when the day's routine is over and no stenographers are available. Hence my Dictaphone is a 'life-saver'. I dictate correspondence between other duties when and as I can. I also record helpful ideas which come to me during the day, and would likely be lost or overlooked if I had to call a stenographer and wait.

"Another important fact is that my secretary's time is fully employed in productive work. She's typing or doing other things to aid me while I dictate."

Thelma J. Matheson, Mr. Moffat's secretary, declares: "Since I started using The Dictaphone I can make my time count ever so much more than when shorthand notes were the rule. All the time I wasted in that needless and nerve-racking job I can devote now to far more helpful and interesting work.

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Thelma J. Matheson

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Public Utilities

PRIVATE GROUPS BUYING PRAIRIE ELECTRIC PLANTS

Saskatchewan Sees Big River Development Now Looming

From Our Own Correspondent.

REGINA.—From a power point of view practically undeveloped Saskatchewan has reached that point in the growth of its population when it has become feasible to consider provincial-wide power schemes and is therefore attracting the attention of private corporations. The government of the province is taking a hand, through its Power Commission, and much interest has been aroused by the activities of a number of opposing interests. The government and the various private corporations all have the one objective, nothing less than a provincial scheme. But while the former is interested at present only to the extent of conducting a survey of resources and potential consumption the different private groups are out after franchises and privileges among already existing power-consuming communities. In the last resort it is supposed, if the government should undertake to develop its own scheme, the private interests would be submerged under the powers that governments have in such cases. But there is no indication that the public authority has anything more in mind than a tabulation of the prospective power sources and the possible lines of development to cover the more thickly settled areas.

Besides the government there are taking a hand in the power game now proceeding here, the Montreal Engineering Co., a subsidiary of the Royal Securities Corporation; the Northern Light and Power Co., of North Dakota; the International Utilities Co., of Alberta; and the Calgary Power Co. The first named, it is understood, does not want to participate in any scheme which would not be wide spread but the scope of the others is as yet unknown, although the Northern company has secured a number of franchises from smaller communities.

The International Utilities has been bidding for a franchise at Yorkton while, as was recently indicated in The Financial Post, the Calgary company seeks to revive the long dormant La Colle Falls Power scheme.

For power development purposes the province is naturally divided into two parts. The southern part looks to the immense, easily worked, lignite coal deposits as the probable source of its power in the future. Minehead production plants are visualized. In the North there is no coal, but the turbulent rivers, particularly the Churchill, possess unlimited power awaiting man's guidance. R. N. Blackburn, the secretary of the Saskatchewan Power Commission—the Government enquiry body— states:

> "It is estimated that the total waterpower available at ordinary minimum flow is 514,451 horsepower with a maximum possible development, for at least six months of the year, of 1,087,765 horsepower. Probably most of these powers are too far removed from present centres of population to be capable of economic development at the present time, but they will ultimately be of great value as the population moves northward. There are, however, a number of possible waterpower sites on the North Saskatchewan River estimated, at an ordinary minimum flow, to have combined capacity of a little over 75,000 horsepower, and it is quite possible it may be found that some, at least, of these might be capable of being economically developed in the near future. Owing to the great variation in the flow of the Saskatchewan River and the very limited storage, it does not seem practicable to develop these powers at the present time, except as part of a provincial wide power scheme, but the possibility of utilizing these powers in conjunction with existing steam electric plants in the province is worth careful investigation.
>
> "There are enormous coal deposits in the southern part of the province, and electric power could undoubtedly be developed at the minehead at a cost closely approaching the cost of generating hydro-electric power. Power could be generated at the minehead and delivered within a certain definite radius at a very low cost."

Hope to Reduce Costs

He goes on to point out that the Commission will enquire into these points. Upon the report they will make, doubtless will depend the next step of the government. Meantime, the Montreal Engineering Co. and the Northern Light and Power Company in particular are going ahead consolidating here and there, scrapping little plants and making arrangement with the larger centres, Regina, for instance, for a supply of power to be delivered at the city limits for distribution to these smaller communities. It is evident that the age of electric power is just dawning for Saskatchewan in general. Hitherto, the residents of Saskatchewan have paid high for their power rates, varying from 30 cents per kilowatt hour as, for instance, at Nokomis and Fleming, to 7.5 cents at a typical town, Estevan, and 2.45 cents in Regina. There would seem to be ample scope for the consolidation of resources to the end of a single control for production and distribution with a consequent improvement in service and lessening of cost.

Public Utility Earnings

Cape Breton Electric Company

	July, 1927	July, 1926
Gross earnings	$50,263	$46,679
Oper. exp. and taxes ...	41,002	38,119
Net earnings	9,261	8,560
Interest charges	5,717	5,729
Balance for reserves, retirements and dividends ..	3,544	2,830

12 months ending

	July 31, 1927	July 31, 1926
Gross earnings	$650,848	$588,721
Oper. exp. and taxes	496,976	479,094
Net earnings	153,871	109,626
Interest charges	68,955	69,041
Balance for reserves, retirement and dividends ...	84,916	40,584

Jamaica Public Service Company

	July, 1927	July, 1926
Gross earnings	$54,738	$53,607
Oper. exp. and taxes	34,706	32,306
Net earnings	20,031	21,301
Interest charges	6,073	6,251
Balance for res. ret. and dividends	13,958	15,049

12 months ending

	July 31, 1927	July 31, 1926
Gross earnings	$675,323	$642,389
Operating exp. and taxes	399,836	397,185
Net earnings	275,487	245,204
Interest charges	73,759	75,415
Balance for res., ret. and dividends	201,727	169,788

The above figures converted from £ Sterling at the rate of $4.86 2-3 to the £1.

JAMAICA PUBLIC SERVICE

July—

	1927	1926	Increase
Gross Earn.	$54,738	$53,607	$1,131
Oper. Exp. and Taxes	34,706	32,306	2,400
Net Earnings ..	$20,031	$21,301	*$1,269
Int. Charges ...	6,073	6,251	*178
†Balance	$13,958	$15,049	*$1,091

Twelve Mos. End. July 31—

	1927	1926	Increase
Gross Earn.	$675,323	$642,389	$32,934
Oper. Exp. and Taxes	399,836	397,185	2,650
Net Earnings ..	$275,487	$245,204	$30,283
Int. Charges ...	73,759	75,415	*1,655
†Balance	$201,727	$169,788	$31,938

*Decrease.

†For Reserves, Retirements and Dividends.

The above figures converted from £ Sterling at the rate of $4.86 2/3 to the £.

TWIN CITY ASKS HIGHER RATE OF FARE IN ST. PAUL

Minimum of Seven Cents is Necessary for 7½ Per Cent.

Twin City Rapid Transit Co. has filed with the Minnesota railroad commission an application for an increase in the street railway fare in St. Paul. The company does not ask for a specific fare, but asks for sufficient to give the company 7½ per cent. return on its valuation of $16,503,557 as fixed by the state commission a year or two ago. State law directs the commission to establish a fare to give a 7½ per cent. return.

The present fare is eight cents or six tickets for 40 cents. It is said that a minimum fare of seven cents or a fraction over would give the company the desired increase in revenue. The company's gross revenue recently has been showing little sign of improvement. In Duluth, where there is an eight cent fare although the city is smaller, both the gross and net revenue of the company have been improving.

The rate of return in 1926, as shown by the petition to the state commission, was 4.42 per cent and the estimated rate of return for 1927, based on figures for the first seven months, will be 4.64 per cent.

Entitled to More

Two years ago, when the state commission raised the rates in both Twin Cities the same amount, the commission stated that the company was entitled to a higher fare in St. Paul than was being granted but suggested certain remedies in St. Paul that would keep the rate of fare the same and still give the same return as is shown in Minneapolis.

These remedies can be made only through a charter amendment, however, and the amendment was defeated by the voters in St. Paul for the second time this month.

A statement issued by the street car company at the time of filing the petition for increased fare said:

Will Refund Soon

"After exhausting every effort for two years, we have failed to get relief from unnecessary and unfair expenses which the car-rider must pay.

"The company is now facing the necessity of refunding in the near future its bonded indebtedness and therefore it is essential that the earnings of the St. Paul City Railway Co. be brought up to that authorized by the law and agreed to by the St. Paul City Council, the state commission, the United States Court and the company."

The "refunding in the near future" consists of $10,000,000 joint Minneapolis and St. Paul operating companies' bonds due in October, 1928; $5,000,000 of the Minneapolis company's bonds due in Aug., 1928, and $3,708,000 of the St. Paul company's bonds which are not due until 1937.

CONSUMERS GAS GETS MARKET IN HOUSE HEATING

But Cost is Not Likely to Make Innovation Too Popular

Consumers Gas Co., Toronto, is finding a new market for gas in the heating of homes. A brochure just issued by the merchandising department of the company illustrates a number of installations in and near the city and the reading matter accompanying stresses a number of advantages inherent in the gas-method of heating homes.

Heating homes with gas is not an innovation. For many years it was the universal custom in the Niagara peninsula and it is still being used to a considerable extent in the Chatham and Essex county district. In Western Canada, Calgary and Edmonton residents use gas freely. It is cheap and apparently in limitless supply. The new mill of the Spillers Canadian Co. has a squat chimney because gas is used for heating. If it is ever necesary to use coal, the chimney will be built up to normal height.

Cost Is Higher

Natural gas under normal circumstances and with normal rates is a cheaper fuel than is manufactured gas of the kind marketed by Consumers Gas Co., Toronto. In Buffalo, N. Y., where there is a mixed gas, the cost of heating with gas is not very much higher than the cost of heating with other fuel, if the burner installation in the ordinary coal furnace is correct.

With the manufactured product, however, the cost is considerably higher. In the first place, there is a somewhat higher rate. Secondly, the heat units are greater in natural gas. The results are not so economical with manufactured gas, even when, as is invariably recommended, the old coal furnace is taken out and a special gas-fired boiler is installed, with numerous bunsen burners and an automatic regulator.

In view of this higher cost, it is improbable that Consumers Gas Co. will find a market among householders of average means. But the advantages of a fuel that leaves no ash, creates no soot, and with automatic regulation, requires virtually no attention except the winding of a clock, are such that the more well to do residents are likely to be attracted by the method, especially if ever there is an adjustment to a quantity rate.

The direct rival of gas in heating a home is, of course, oil. But while there are many oil furnaces giving satisfaction, the results in every case are not pleasing. There are users who object to the roar of the oil-fed flames. There are said to be other disadvantages which have not been eliminated entirely by all manufacturers of oil furnaces, as yet. The prospect for an oil furnace, hence, is a prospect for a gas furnace.

Sells Refrigerators, Too

Consumers Gas Co. also is marketing automatic refrigerators which are operated by a gas flame using approximately two cubic feet of gas per hour, or, roughly five cents per day. So far the manufacturer has placed only one size of this refrigerator on the market, which sells in this country at $500. The price is comparable to the price of electric refrigerators of the same size, and it is asserted that the absence of a large number of moving parts renders the product endurable as well as noiseless.

Brique Frontenac Bonds Being Offered at Par

From Our Own Correspondent.

MONTREAL.—La Corporation de Prets de Quebec is offering $200,000, first mortgage, 6½ per cent bonds of Brique Frontenac, Limitee. The offering is being made at par.

The company's capitalization consists of the present issue of bonds followed by $100,000 in 7 per cent. preferred and 5,000 common shares of no par value. The company's production will amount to some 1,250,000 bricks a month and it is estimated that profits after depreciation wil be more than five times the bond interest requirements. The issue matures between 1930 and 1942.

NATION'S BUSINESS

(Continued from page 1)

the railways would lose a great deal of money in moving the coal, will not alter the fact that careful investigation has proven that under present circumstances we cannot expect coal to move.

• • •

INDEPENDENT engineers have long feared that the plea to use Alberta coal in Ontario was based upon impossible economics. The investigation seems to prove that.

Later, circumstances may alter so as to make Alberta coal a commercial success in Ontario. The present situation is not necessarily permanent. Let us hope that the day when the coal will move eastward is not far distant; but that day does not appear to be with us yet.

• • •

FROM the things Mr. Baldwin has said since he returned to Britain we may judge that his personal observations in Canada had changed many of his pre-conceived notions about this country. From remarks dropped, nay statements shouted, by the British editors who left last week-end for the Old Country, after a month in Canada, we may rightly assume that they too were more favorably impressed by what they had seen than they had ever been by anything they had heard or read of Canada.

It has long been observed that the British statesmen who are regular visitors to Canada, discuss Canadian affairs to best effect. And it is also true that British financial houses, whose partners have travelled across Canada from coast to coast, not once only but frequently, have made the most money for their clients in Canadian investments.

These are all additional proofs of the soundness of the contention of the Sunday Times of London, England, that the Grand Tour of the Empire should be recognized as something that every British M.P. should include in his education.

Of course it works both ways. Canadian business men and statesmen should consider first the Grand Tour of Canada and second the Grand Tour of the Empire as essential to their full understanding of Canadian and Empire problems. Travel brings one into personal contact with problems that are, without that touch, mere academic questions.

WHETHER it be an architectural piece, ornamental bronze fixture, decorative wrought iron fitting or an electrical fixture, its utility will be graced by an air that has won a place for Mitchell Metalcraft in the leading public buildings throughout Canada.

Architectural Bronzes

Frink Lighting Equipment

Wrought Iron Fixtures

The
ROBERT MITCHELL
COMPANY-LIMITED
MONTREAL

What is an Investment Trust?

How many men make money investing in one particular stock?

Not one in a thousand.

The man who has lots of money can diversify his stocks or divide his buying among several different stocks.

But the man whose savings are limited cannot very well do this.

He is at the mercy of every get-rich-quick scheme.

And with what results?

He skimps and saves his money only to lose it.

Always remember that the wonderful money-making opportunities are rarely offered to the man of average means.

If these opportunities are any good they are taken up by rich men.

To their sorrow and regret many men and women know this.

It is a recognized fact that the only way to consistently make money is to select a variety of good stocks and average your money among them.

But, to do this successfully requires knowledge and experience which is not always available.

It is to enable the man of average means to participate in a number of securities that the Diversified Standard Securities Limited was organized.

This is an investment trust.

Its functions are to buy, after careful investigation, Standard Oil Stocks which show the most consistent earnings and are the most likely to appreciate in value.

These Standard Oil Stocks, when bought, are deposited with a trust company and against them, as security, Preferred stocks are issued by the Diversified Standard Securities Limited.

But, bear in mind, no Preferred stock can be issued by the Diversified Standard Securities Limited until the money is paid into the trust company and the stock certificates are endorsed by them.

The reason a variety of the best Standard Oil Stocks have been selected in preference to all other stocks is because there is no other industry in the world, whose stocks are available to the public, whose earnings for the last sixty years have increased so steadily and consistently.

You can better appreciate this fact when we tell you that if you had taken $1,000 and divided it over ten Standard Oil stocks fifteen years ago, your present holdings to-day would be worth over $19,000.

Think of it, that is an average increase of 122% annually—88% appreciation and 34% dividends!

That increase in values applies to a variety of Standard Oil stocks, but the earnings of the stocks chosen by the Diversified Standard Securities Limited will show even greater appreciation because they are the very cream of Standard Oil stocks.

And remember this that at no time shall there be more than 15c. of each dollar invested in any one company's securities.

Why will the stocks chosen show even greater appreciation?

Because there never has been such a demand for oil as there is to-day—any news item about oil will confirm this statement.

And the demand for it is increasing every day.

The Diversified Standard Securities Limited issue an 8% Preferred Stock of $25.00 par value, at a price to yield 7.6%, which carries with it the option of a share of Common Stock of no par value, selling at $10.00.

Bear in mind that the Common Stock of this Company will, in a short time, be the big dividend earner.

Don't you think that stocks of this kind are well worth investigating?

Why not fill in the coupon below for full particulars?

Do it now—to-day!

F. J. Fairhall and Associates, Limited

260 St. James Street, Montreal Telephone MAin 3197

Without obligation, send me particulars of your Preferred and Common Stocks and booklet entitled "Authoritative Comments on Investment Trusts."

NAME ....

ADDRESS ....

LOS ANGELES-FIRST NATIONAL TRUST & SAVINGS BANK

A Consolidation of

The First National Bank of Los Angeles
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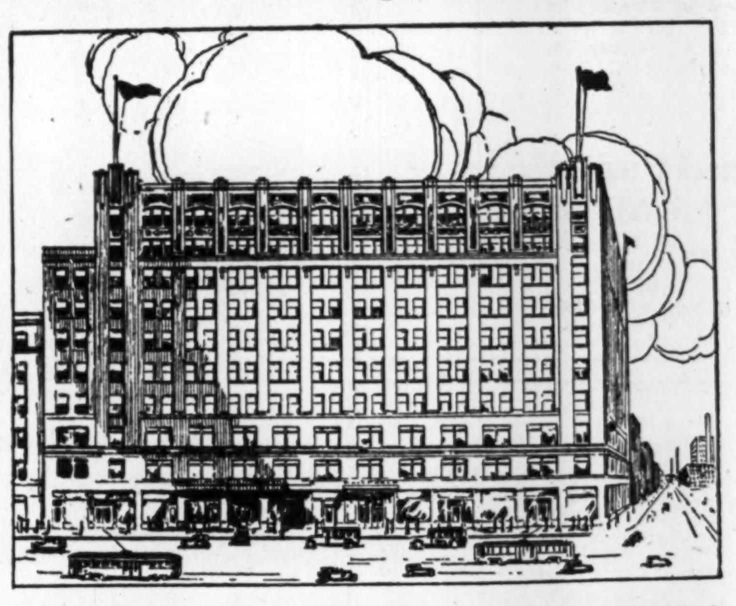
SERVING the principal cities of the southern half of California.

A 24-hour transit service is so organized as to make funds available much quicker than even under the Federal Reserve schedule.

Banks and bankers are invited to direct their Southern California business to us.

Surplus	Capital	Profits
$8,000,000	$12,250,000	$7,750,000

Commerce and Transportation Building



The Commerce and Transportation Building, Limited, has purchased the plot of land at the northeast corner of Bay and Front Streets, Toronto, Ontario, upon which to erect a modern fireproof ten-story office and store building of the most approved type, and a six-story garage for the storage of 426 automobiles. Within a short distance of the Canada Steamship Lines docks, diagonally across the street from the New Union Station, into which all the railways entering Toronto discharge passengers, and immediately across the street from the proposed new Canadian Federal Building, within half a block from the new 26-story C. P. R. Hotel, containing over 1,000 rooms, this building will constitute one of the principal buildings in the City of Toronto. A portion of the new building will be occupied by Bowles Lunch, who have signed a thirty-year lease; a branch office of one of the largest Canadian banks, and terminal facilities and waiting-room for the principal bus lines entering Toronto. The international importance of the institutions located in and near the building, and the accessibility of this building to all sections of the city and suburbs insure a steady and increasing demand for office space of the type which the new building will provide.

7%

Backed by Solid Safety

PLUS A Bonus of Common Stock

Security: A modern office building, located on one of Toronto's most valuable business sites, which is rapidly becoming one of the most outstanding business corners in America.

Earnings: Leases now signed and under way assure the payment of the above rate of interest and leave a splendid margin of profit for the common stockholders.

G. A. STIMSON & CO.
Limited *Est. 1883*
The Oldest
Bond House in Canada
300 BAY ST. TORONTO

A Record Is Better Than a Promise—

For 44 years every bond issue recommended and sold by G. A. Stimson & Co., Limited, has paid interest, and Principal when due.

FOR FURTHER INFORMATION FILL IN THE COUPON

Without any obligation to me please send further particulars regarding the Commerce and Transportation Bldg. P

Name ....

Address ....

Goodyear Common Opens Strong on Toronto 'Change

As announced in The Financial Post recently, Goodyear Tire common (new stock) is now listed for trading in the unlisted department of the Toronto stock exchange.

There were few trades on the opening, presumably because the stock is held largely by investors. First prices ranged around 85-86, which is twelve or thirteen points above the over-the-counter prices prevailing two or three weeks ago.

Goodyear Tire of Canada is one of those companies which staged a rapid recovery after a period of difficulty. Arrears on the first preferred stock were cleared away a few months ago and shareholders converted their first and second preferred into a new preferred. Subsequently, additional common stock was issued to shareholders of record at $1 the share. It is this common stock which is now being traded in the unlisted section of the Toronto stock exchange.

LOW PROFITS AGAIN MAY BE ENCOUNTERED BY MILLING FIRMS

(Continued from page 1)

Ogilvie's are not available for 1926, but they no doubt record an increase, not on account of milling operations, but because of investments outside of the industry. These figures tell the story of how the companies engaged in this business are slipping back.

What is the future of these companies, in which Canadians have invested many millions of dollars? The immediate future is not promising. Over a period of years they will undoubtedly work themselves out of the present depression either through their own efforts or by government assistance.

An examination of the industry at present discloses many significant facts. Production in the first six months of 1927, for instance, totalled 8,104,000 barrels, as compared with 8,982,000 in the corresponding period of 1926 and with 8,422,000 in the first six months of 1926. This decline is not due to a smaller domestic demand or supplies, but wholly to lack of export orders, upon which the Canadian industry is dependent. Exports in the 12 months ended July last totalled 9,247,824 barrels, as against 10,896,654 barrels in the preceding twelve months period. A decline of over 1,500,000 barrels. Nor can this depreciation be attributed to the British general strike last year. If that had been the case, then one could take a more complacent viewpoint of the situation. But such is not the case, for since the settlement of the strike last November, British buying has been noticeably lacking.

As for the next twelve months, there is no doubt but that supplies will be available in any quantity. Domestic demand will be unlikely to show a radical change. Last year approximately 80,000,000 bushels of wheat were used for milling purposes. Unless the demand for flour takes a sudden upward move, it is highly improbable that the mills will use more than that amount in 1927-28. Everything then depends upon the needs of those countries unable to meet their own flour requirements.

World Market Outlook

Wheat flour markets may be roughly divided into three groups—United Kingdom and Europe, South America and the Orient. The markets in these areas are going to buy wherever they can get the best price. Quality will have some bearing on the situation, but generally speaking, the importers are more concerned in getting their wheat at as low a price as possible, consistent with good milling qualities. With all the world to draw upon for their supplies, the possible demands of the wheat flour importing countries can be boiled down to one question—How much wheat will they import for milling in their own countries?

The latest reports show that the potential world wheat crop this year will exceed that of last year. With the probability of a large surplus of this commodity, foreign buyers are holding off in making commitments. That their action is justified is well illustrated by the movement of the grain markets in the last three days. Thus, by entering the market at a later date, foreign buyers are going to get their supplies at a relatively low price.

Low Prices Affect Demand

Furthermore low prices will stimulate the consumption of bread in Europe and millers on the other side of the Atlantic are going to turn out a greater output than they would in times of high wheat prices. In Canada average income per family is relatively large, expenditure for and consumption of bread relatively small; and bread prices do not fluctuate closely with wheat and flour prices. In Europe family income is small, bread plays an important part in the diet, and expenditure per family for bread is large; and since European bread consists far more largely of flour than Canadian bread, prices fluctuate closely with the prices of wheat and flour. Low wheat prices, therefore, mean low flour prices, and cheap bread means larger consumption.

From the millers' standpoint, this is a condition to be encouraged. But will Canadian millers secure their share of this increase trade? They will if, and only if, they can meet competition of the European and more especially, American miller. The German miller, one of the most persistent competitors of Canada in the European market, has been purchasing Canadian wheat on consignment and through low labor and operating costs, has been able to outsell millers of this country. The American millers, more particularly those located at Buffalo, are using the high milling qualities of Canadian hard wheat for mixing with their own soft wheat, without paying duty on the former, as they mill in bond for export and not domestic consumption. If Canadian millers can outsell or even compete on equal terms with these two close competitors, they can secure their share of the trade. Under present conditions, however, it is extremely doubtful if this can be done.

Raise Tariff Walls

In addition to the above, European countries have also set up barriers to discourage the importation of wheat flour when conditions are such that the home country will benefit. France for example, only this week, imposed a heavier tariff on Canadian wheat and wheat flour on account of a new trade treaty signed with Germany. Greece has had under consideration the imposition of a duty on imported flour for some time and will probably put it into effect. Ireland wants to encourage home industries and at the forthcoming election will vote on the question of putting a stiff tariff on wheat flour importations. All over Europe there is a tendency to encourage production of domestic needs within the nation itself. Some of the smaller nations are grasping at a nebulous self sustaining policy and whether they will be successful only time will tell. But for the nonce, export countries will have to meet this new competition as well as they can.

Other Markets Satisfactory

Turning to South America and the Orient, one finds conditions more favorable to Canadian millers, especially in the latter. The South American trade sprang into prominence last year, when some heavy shipments were made to Brazil and other markets. Brazil has never been a steady customer of Canadian wheat flour, nor is she likely to be, as importers in that country find it more advantageous to secure supplies from the Argentine. The heavy shipments last year were due primarily to the inability of the Brazilian importers to secure their customary supplies. As far as the the West Indies and other countries centering around the Carribean sea, there is no evidence to indicate that demand will be above normal for the next twelve months.

Trading conditions with the Orient, have been somewhat disrupted owing to internal strife in China. But the Chinese and hundreds of thousands of other Asiatics have acquired a taste for wheat flour bread and their needs must be met. Japan, of course, has been endeavoring to curtail its supplies and in this respect has achieved a measure of success. But the situation in the East looks favorable and while there will not be substantial improvement in demand for wheat flour, Canadian millers will secure their share of this trade in competition with millers across the line who are not in such a favorable position to compete.

Thus with keener competition and little likelihood of receiving a larger volume of export trade, Canadian millers are forced to meet a situation which is not at all conducive to larger profits. Not only is there every reason to believe that wheat flour prices will go to lower levels, but operating costs will not be cut unless a larger output is achieved. The last does not seem likely and the prospect is for a smaller profit per unit of production.

The millers will benefit, however, from the recent ruling of the Board of Railway Commissioners, under which flour moving for export over Canadian rails from the Prairie Provinces to Vancouver, or from the head of the lakes to Quebec, will receive a lower rate. This cut in transportation costs will allow a greater leeway in setting prices, but whether it will be sufficient so as to influence buying, is a question that has yet to be answered.

Summing up the situation, the outlook is that the Canadian milling companies will experience during 1927-28 keener competition in the European market, lower prices, little likelihood of a larger volume of business, a narrower margin of profit and, on the other hand, an appreciable saving in transportation charges. On the basis of these conclusions, 1927-28 will not be a highly successful year for the Canadian flour milling companies.

Subscriptions having been received in excess of the amount of this offering this advertisement appears as a matter of record only.

NEW ISSUE

$25,000,000

Republic of Colombia

6% External Sinking Fund Gold Bonds

Dated July 1, 1927 **Interest payable January and July 1** **Due January 1, 1961**

Principal and interest payable in New York City, at the office of either of the Fiscal Agents, Hallgarten & Co. or Kissel, Kinnicutt & Co., in United States gold coin of the present standard of weight and fineness, without deduction for any Colombian taxes, present or future. Coupon bonds in denominations of $1,000 and $500, registerable as to principal only. Redeemable on any interest date, at face amount on not less than 20 days' notice.

CUMULATIVE SINKING FUND CALCULATED TO RETIRE THE WHOLE ISSUE AT OR BEFORE MATURITY

A substantial amount of these bonds has been placed in Europe, including bonds which are being offered in Amsterdam by Pierson & Co., Nederlandsche Handel-Maatschappij, Mendelssohn & Co. Amsterdam and Vermeer & Co.

HALLGARTEN & CO. and KISSEL, KINNICUTT & CO., Fiscal Agents. NATIONAL BANK OF COMMERCE IN NEW YORK, Registrar.

The following has been authorized by His Excellency, Dr. Esteban Jaramillo, Minister of Finance and Public Credit of the Republic of Colombia:

Colombia, adjoining the Isthmus of Panama, and with an area greater than the combined areas of France and Germany, is the South American country nearest to the great centres of population and trade in the Eastern and Western Hemispheres. Under a stable government for over twenty years, Colombia's progress and development have been notable.

Colombia's national debt, which in 1922 was $46,948,000, had been reduced by June 30, 1926, to $23,407,000, a reduction of $23,541,000, or over 50%. On completion of this financing, total national debt, both internal and external, will approximate $46,000,000. This is equivalent to about $6 per capita, which is among the lowest for any of the countries of the world, and compares with estimated figures for Argentina of $109 and for Uruguay of $125. When compared with an estimated wealth per capita of over $750, with the volume of its foreign trade and its annual income, it can be seen that the debt of the Republic is indeed small.

This unusual situation is largely explained by the substantial annual surpluses of ordinary revenues over ordinary expenditures shown in the following table:

	Revenues	Expenditures	Surplus
1923	$32,425,591	$21,440,345	$10,985,246
1924	32,576,680	23,179,928	9,396,752
1925	45,005,038	29,874,067	15,130,971
1926	54,163,088	46,372,006	7,791,082

In the years 1922 to 1926 the Republic has spent over $57,000,000 upon railroad construction and other public works.

In addition to the surplus of ordinary revenues, the Republic has also received, under a treaty with the United States, $25,000,000, which has been devoted entirely to public works and constructive enterprises, including $6,000,000 initial capital for the Bank of the Republic and the Agricultural Mortgage Bank.

International trade has more than doubled from 1922 to 1926, amounting in the latter year to over $218,000,000.

At June 30, 1927, the gold reserves of the Bank of the Republic (the bank of issue) were approximately 100% of its notes in circulation. The Colombian peso, with a gold parity of $.9733, is at present quoted at a premium, being the only South American currency, except that of Argentina, of which this can be said.

The country has vast resources of coal, petroleum, gold, platinum, copper, iron and other minerals, and is the world's chief source of supply of emeralds. The possession of these resources, especially coal and petroleum (still largely unexploited) is of especial importance in view of the proximity of the country's ports to the Panama Canal.

Colombia is the world's second largest coffee producer, and the largest producer of "mild" coffee, which commands a premium over Brazilian grades. Bananas, tobacco, cotton and sugar are grown, while the production of live stock is an important and growing industry.

American companies have large investments in the mining, oil, fruit and live stock industries of Colombia, total American investments there being estimated at over $200,000,000.

In 1922 Colombia, recognizing its paramount need of an adequate, unified transportation system, enacted legislation to meet the situation, in pursuance of which thorough studies have been made with the assistance of eminent international engineers. As a result, the proceeds of this loan are to be used in accordance with a comprehensive plan for the extension and unification of existing railroad systems, for the development of port works and the deepening and canalization of rivers, as well as for the repayment of a short term loan of $10,000,000 granted this year, the proceeds of which were used for the same purposes. The present Government-owned railroads have reported operating profits in each of the past six years, the figure increasing from less than $900,000 in 1921 to over $3,000,000 in 1926.

These bonds constitute the direct obligation of the Republic of Colombia, secured by its full faith and credit. The Republic agrees, among other things, that if while any bonds of the present loan are outstanding, it shall secure any obligations by a lien or charge upon any national income or revenues, the bonds of this loan shall be secured in like form, equally and ratably with such obligations.

All conversions of pesos into dollars in the foregoing have been made at parity of exchange.

The Republic has agreed to make application to list these Bonds on the New York Stock Exchange.

These Bonds are offered for subscription subject to allotment. We reserve the right to reject subscriptions in whole or in part, to allot less than the amount applied for, and to close the subscription books at any time without notice. Interim receipts of National Bank of Commerce in New York will be deliverable in the first instance. Legal matters subject to approval of Messrs. Sullivan & Cromwell, New York City, and, as to questions of Colombian law, of Dr. Pedro M. Carreno, Bogota, Colombia.

Price 92½ and interest, to yield over 6.55%

Hallgarten & Co. **Kissel, Kinnicut & Co.** **Halsey, Stuart & Co.** Incorporated **Lehman Brothers**

Cassatt & Co. **William R. Compton Company** **The Northern Trust Company** Chicago

Dominion Securities Corporation Limited

McLeod, Young, Weir & Co., Ltd. **Nesbitt, Thomson & Company Limited**

R. A. Daly & Co. **Matthews & Company, Ltd.** **Hanson Brothers**

Greenshields & Co. **Bell Gouinlock & Co.**

September, 1927. The above statements were obtained partly by cable. While not guaranteed, we regard them as reliable.

THE FINANCIAL POST
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Vice-President—HORACE T. HUNTER
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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

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TORONTO, SEPTEMBER 16, 1927

HOW ABOUT CANADA?

"The Empire Marketing Board, which has already taken part in five exhibitions this year, has decided to participate in another five—the International Grocers' Exhibition (London), September 17-23; the Exhibition of Commerce and Industry (Liverpool), September 23-October 1; the Grocers' Exhibition (Norwich), October 5-15; the Imperial Fruit Show (Manchester), October 28-November 5; and the Cookery and Food Exhibition (Holland Park), November 15-24. Altogether, the Board's part in the coming shows will mean a taking of 16,000 square feet of floor space."

WILL Canadian foodstuffs be displayed at these shows? Or, as in the past, will Canada remain aloof from the Empire Marketing Board's display and allow Australia, New Zealand, South Africa and other British nations to share the advantage between them?

Let Canada be there.

HIGH ENOUGH NOW

AUTOMOBILE ownership and highway construction have advanced hand in hand in Canada. So closely have the two been linked together that it would lead to sophistry to attempt to determine whether the growth in automobile ownership followed the re-building of the highways, or vice versa. In any event, owners and drivers of motor cars have not shown any general disposition to dispute the fairness of taxation systems that make the motorist pay for good roads and that make him pay proportionately with his use of the roads. The annual license fee was an early development and never came in for serious abuse. The gasoline tax is comparatively recent in application and motorists have been its strongest supporters.

The gasoline tax was seldom more than one or two cents a gallon when first applied. Now three cents is general and a four-cent tax is in vogue in some districts.

The money has come in easily, too easily; governments have been spoiled by it and want to milk the motoring cow again. Ontario, for instance, has let it be known that its present three cent tax is to be increased. The suggestion has been thrown out that the tax will be doubled—making it six cents—although the government has denied that it has given any indication of what it is likely to do. Apparently Premier G. H. Ferguson has said just enough to arouse discussion and is now studying the effect on the public. He wants the motorists' viewpoint. Motorists and business houses, who feel that a five or six cent tax is too high, either as a personal tax upon themselves or as a well-balanced government levy, should not hesitate to express themselves.

Of course, the government wants to raise the tax in order to get more money to build roads. But a five or six cent gasoline tax would be excessive. In the first place, it would place too high a premium upon motoring, already taxed by gasoline prices that have been raised unfairly above the level of prices in the United States. In the second place, it would lead to further resentment by municipal authorities, who now derive no revenue from motor cars although they are put to heavy paving and traffic control expenses on their account. And in the third place—and this is most important—a five or six cent tax might defeat its own purposes. Gasoline consumption would undoubtedly be greatly reduced by such a levy. The larger tax might not produce a larger revenue than the present three cent tax. It certainly would not produce a commensurately larger amount. All previous tax experience leads to this expectation.

A three cent gasoline tax is enough. It is enabling Ontario to carry out a progressive highway programme that is probably well in keeping with what motorists can fairly expect.

INVESTIGATING FISH

THE federal investigation into the fishing industry, which will shortly be under way, is welcomed in the Maritime provinces. Fishing has been far from profitable in the past few years. The reasons are not all apparent. In the case of the deep sea fisheries the low prices in foreign markets have been the chief factor responsible for the lack of prosperity while in the case of the shore fisheries the high Fordney tariffs, which have almost shut Canadian fish out of profitable New England markets, are apparently the determining factor.

However, no thorough survey of the industry has been made in recent years. There may be much room for self help as in Nova Scotia apple growing and New Brunswick potato farming. It may be possible to enlarge home markets for the products of Maritime fisheries.

The investigations of the new federal commission can do no harm and they may conceivably do a great deal of good.

GOVERNMENT BUSINESS

THERE are reasons why governments cannot be businesslike.

Bridgeburg is a growing town and its post office, in the government building, became too small. The customs offices, also in the government building, became too small. The government owns land in the rear of the present building.

A private institution would have built an addition to the existing building. But the government has rented a store, at a good rent, for the post office, and the customs are using the old post office quarters in the government building.

Government officials admitted that it would have been better to have built an addition than to have rented quarters from a private individual. But they claimed that no two capital expenditures may be undertaken in any one constituency in any one year. Niagara Falls is in the same constituency, is also a border point, and is getting a needed addition to its post office and customs building.

INSURING INSURANCE

INSURANCE is not a vital topic to the general public. The reason is lack of publicity. Advertising has not been employed to make insurance as important a subject of conversation as automobiles, radios and other articles and services that have not a fraction of the deep human interest that surrounds insurance.

Such is the contention of Earnest Elmo Calkins, a great advertising man and writer on business topics, who chides the insurance companies, in the current number of the Atlantic Monthly, for their failure to "insure insurance" by advertising.

Mr. Calkins' charge that the insurance companies are lax in selling their wonderful human service to the public is more applicable in the United States than in Canada but only in a matter of degree. Life insurance companies in Canada have been fairly active in using paid publicity to arouse public interest in insurance. Companies writing the other forms of insurance have been, in practically every case, lamentably retrograde. Insurance has advanced in spits of its sales managers, chiefly because of the patient and resourceful efforts of an army of salesmen and agents who have themselves dabbled in publicity in a small way, usually without broad planning and without the backing of other experience or resources.

"Most of what the public suspects about insurance is wrong, including the suspicion that the agent is a nuisance," declares Mr. Calkins. He also says: "Insurance has greater need of advertising than the long list of commodities that have used it." Unlike the motor car it is invisible and does not advertise itself. It is an idea; a service.

Insurance companies, life, fire and casualty need insurance themselves, such insurance as comes from advertising. They need it to lower sales resistance and open the door for larger business more easily won. They need it to lower selling costs; they need it to win for insurance due recognition as a great public service.

Insurance is standardized to a large degree. Government supervision and the unvarying demands of the statistical table make it difficult for one company to offer something that another company cannot offer. Therefore, insurance must be advertised chiefly as an institution. The advertising of one company will benefit that company most of all but it will also benefit others. But that is what has happened in the case of motor cars and radios. If only one automobile were being advertised in the world there would not be as many, even of that type of automobile, in use as there are to-day. One radio advertiser could never have created a vast radio market. One phonograph advertiser would only have convinced the public that he was a crank with a new toy. All advertising is institutional advertising. Insurance must advertise even when the immediate results in contracts cannot be guaranteed.

ROADS, AND ROSES, TOO

ONE of the finest park systems in the world is that which is owned by the people of Ontario and administered by the Niagara Parks Commission. There is a rose garden in Queen Victoria Niagara Falls park which cannot be surpassed. There are native and rare shrubs labeled in Latin and English for the horticulturist and his lay brother. There are the marvelous attractions of Niagara Glen with its potholes, and the comparative placidity of the broad expanse of the Upper River. There is the cataract itself. And there are restaurants and hot-dog stands and picnic tables and free hot water and athletic fields, and a new $100,000 administration building.

There is also a roadway stretching from Old Fort Erie to Niagara-on-the-Lake. These remarks are concerned primarily with the roadway.

An apparent, though unconscious, disposition to treat that road as a sort of private driveway which may or may not be kept open for public travel is to be deplored. It was only after a protest, it is understood, that the commission decided to keep the roadway open for traffic earlier this season. The surface has gone to pieces and for weeks this highway—the most expensive to build and perhaps the most expensive in upkeep in Canada—was virtually impassible. Instead of rushing repairs and providing a passable surface in the meantime, the authorities calmly proposed to have all the traffic from the ferries and Peace Bridge (newly opened) diverted to township and county roads which are, for the most part, bad. We are certain the Hon. George Henry did not put his O.K. to this plan.

The roadway has been virtually rebuilt since spring. That is good.

But the motorist on almost any holiday will discover that the existing roadway is much too narrow for the traffic it is called upon to bear since the opening of the Peace Bridge, and he will observe that there is room for a second highway on one side or the other of the present one. That condition does not prevail on the public rights of way elsewhere.

Why not use this extra land along the Niagara River for a wide highway?

Ontario and the parks commission should not be remiss in the provision of adequate outlets for traffic flowing from the Peace Bridge at Fort Erie. The Niagara Parks Commission might for a time relegate horticulture and architecture to the background and concentrate on efficient and adequate highways.

THANKS, SIR RICHARD

IF THE truth is to be faced, many British newspapers have been more willing to run news adverse to Canada than news of throwing a favorable light upon any given Canadian situation.

Apparently an attack on Canada, no matter how puerile, is news. And anything savoring of a boost for Canada is not.

It is to be hoped that as a result of the visit of some 70 British editors and newspaper owners to Canada recently that, in the provincial press at least, Canadian news will be more favorably presented. The editors were well impressed with Canada and its possibilities. This much they indicated plainly in both their public utterances and their private conversation. And to many of them the revelation of the opportunity and prosperity of Canada came as a surprise.

At the Toronto dinner to the party, Sir Richard Winfrey, Kt., owner of a large number of provincial papers, manfully read an item that had appeared only last month in one of his own papers. In it, an unimportant woman who had lived in Toronto for a period of years, was given space to broadcast the view that Canada was no place for men; that there might be opportunities here for girls willing to enter domestic service; and much more drivel of similar type.

Canadians cannot help feeling that a British newspaper editor is either distinctly unfriendly or dangerously ignorant when he permits persons of no consequence and apparently no background of genuine information to be quoted as authorities on the alleged lack of opportunity in Canada.

Sir Richard Winfrey assured his listeners that no more such interviews would appear in his papers. His subeditors would be told to leave them out. And it was apparent that what Sir Richard promised can be expected from all the papers represented. Having seen Canada and Canadian opportunities for themselves, these editors may be counted on to tell the truth.

Canada asks no favors of the British press except the one favor of telling the story of Canada exactly as it appeals to any intelligent, fairminded person looking over conditions at first hand. Canadians do object to the undue magnification of the views of misfits, personal failures and soreheads.

THE ELDORADO ROAD

THE Temiskaming and Northern Ontario Railway, "the road that built an Eldorado" is a quarter century old this week.

No one can properly estimate what this road has meant to Ontario. It has added untold millions to the province's wealth.

Chiefly its success has been due to the fact that it has been managed as a business enterprise.

EDITORIAL NOTES

GERMANS have produced a modern version of the Mikado. No one has yet written a modern version of that ancient classic, "Abie's Irish Rose."

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THE NEW FORD has a rear axle housing of the banjo type, and there will be steel brake shoes on each drum. We were expecting a car, not an orchestra.

FOLKS and Finance

AMONG the British newspaper editors who have toured Canada during the past month and who have now returned to Great Britain was a Lancashire writer by the name of Carey Lord. Mr. Lord was not the most distinguished member of the party and he himself would have described himself as one of the humblest. Writing leaders for the local paper in Clitheroe is interesting, but Clitheroe and its newspaper must give precedence to other centres and newspapers represented on the tour. Yet, at a number of the functions tendered to the party, Carey Lord was one of the most prominent guests at the head table. Fellow members of the party state that he was mystified by the attention paid to him, but the secret came out in time and provided some amusement for the members of the party, including Mr. Lord.

The British Newspaper Society, which staged the tour with the cooperation of the Canadian Pacific Railway, issued a "Who's Who" of the party. It gave a brief sketch of each editor and newspaper proprietor. It told, let us say, "Brown, Albert J.", "Smith, John B.", "Jones, Henry F.", etc., and it also told about "Lord, Carey." Various people in charge of dinners, garden parties, and the like read the list over hurriedly and missed the comma.

And so for a month plain Carey Lord became Lord Carey.

NOW that the shares of Standard Bank of Canada have regained all the ground they lost during the period of public nervousness regarding bank stocks and are selling close to a new high record for all time, it might not be amiss to tell the story of how one man prevented the market price of the shares from falling below the figures touched in 1924.

In August, 1923, the Standard Bank, always well directed by the members of its board, decided to take its medicine and to write every dollar of bad or doubtful debts off its books. It wrote its reserve down by $2,250,000, using $1,250,000 of this to wipe out bad loans and $1,000,000 to set up a contingent reserve. The bank had not been in the habit of piling up hidden reserves and when the adjustment period came, and losses, especially in Western Canada, piled up, the bank had to take its losses as openly as it had shown its profits in previous years. The move was thoroughly constructive and was an evidence of honest stewardship by the directors. But nervous holders of bank shares thought otherwise. When this action was coupled with a cut in the dividend from 14 per cent. to 12 per cent. the stock began to fall and in August, 1923, fell from a high of 206 to a low of 170. In subsequent months the shares showed further decline.

Thomas H. Wood, vice president of the bank, suggested to a group of shareholders that they quietly form a little pool to "peg" the stock somewhere around 165 and prevent the shares from going far below their real worth. They would pick up offerings at that figure and protect other shareholders from the effect of unnecessary selling. Mr. Wood could not get his fellow shareholders to put up the necessary money.

He decided to go it alone. His father had been a vice-president of the bank before him; he felt that ties of loyalty demanded of him that he stick by the bank and risk his own money in holding the shares firm in order that shareholders' confidence might not be further impaired. He bought many shares of stock—two thousand shares, according to one estimate. The shares did not fall below 159 and then only during a midsummer slump. During 1924 the turn came and the advance has been steady ever since.

Mr. Wood's courage and loyalty have been highly rewarded, for at the present market the shares he purchased show him a handsome profit. But his friends say that he "pegged" Standard Bank, alone and unaided, purely out of loyalty to the bank and the memory of his father, and without any thought of monetary reward.

POST-Scripts

THERE was so much in the papers about the Princes that business men gave up reading the despatches after a few days. Many of them probably missed the reference to the little ceremony in Winnipeg when the Hudson's Bay Company carried out its contract with the British crown in a charming manner.

The charter granted "to the Governor and Company of Adventurers of England Trading into Hudson's Bay," by Charles the Second, called on the company to pay "to us, our heirs and successors, two elks and two black beavers whensoever and as often as we, our heirs and successors, shall happen to enter into the said countries, territories, and regions hereby granted." So when he passed through Winnipeg the Prince of Wales received from officials of the company two mounted elk heads and two beaver pelts, thus fulfilling the conditions of the agreement entered into between King Charles and the Gentlemen Adventurers in 1670.

VISITORS to the Canadian National Exhibition at Toronto found a new $500,000 Eastern entrance. This decorative structure, 400 feet long, has been erected in commemoration of the sixtieth anniversary of the Confederation of the Dominion. As the structure is intended to stand as a permanent memorial, precautions have been taken to safeguard it against deterioration as a result of weather exposure. Nearly three tons of 16 oz. cold-rolled sheet copper have been used for cornices and flashings.

More than eight tons of copper were used on the outside of the Ontario Government Building at the Canadian National Exhibition. The rustproof metal has been applied to roofing, domes, cornices and flashings and downspouts. In addition, the "golden star" which is conspicuous at the top of the building, is made of 2-inch piping sheathed with copper.

Each of the four towers has a finial more than nine feet high.

SHORTER skirts cost one Canadian company $120,000 last year. This concern does not manufacture materials from which dresses are made, as might be one's first surmise. They knit stockings. This is how the money was lost:

They had on hand a large stock of a very popular line, silk stockings with cotton tops. When skirts came reasonably below the knee, silk stockings with cotton tops were worn by discriminating damsels. The cotton tops were not ordinarily visible to the passing observer. But when skirts rose to the knee—and above—no careful flapper allowed herself to be seen with stockings that were silk for only a portion of their visible length. Silk to the top became a necessity. The cotton topped stockings had to be thrown on the market at sacrifice prices. And it meant a loss of $120,000 to this one company.

Comments

Remarkable Remarks by Interesting People

Hartley Withers, famous British Economist—"When Mr. Maxton, that very earnest and honest Clydeside 'reformer,' advocating economic revolution as Chairman of the British Independent Labor Party, implies that under present conditions working is 'degradation,' and says, 'Better some months of turmoil than a century of degradation,' he is throwing long words about rather carelessly.

"If we are looking for degradation we can find it in one form or another in most classes of the community. But there is no trace of it in doing a fair day's work for a fair day's wage. The lot of those who do so has been enormously improved in the past century and may be still more improved in the next one; but not by inducing them to believe that they are degraded by doing it."

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Rt. Hon. Stanley Baldwin, Prime Minister of England—"The fortunes of a nation are determined above everything by the qualities of its people. Parliament and constitution can provide safety and security. They can provide educational facilities. None but the people themselves can build up the fabric of social and industrial life. If the people of a nation are paupers in spirit they will build nothing but the poorhouse, peopled with a grumbling population. If they are upstanding men they will produce a self-respecting and prosperous community. That is what I found in Canada."

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Ernest Bevin, of the British Transport workers—"The moral standard of trade unionism is to hammer out an agreement and to stand by it. The Russian standard of honor is that the end justifies the means. These two standards cannot be reconciled."

Book Reviews

"Accounting"

The publishers hail this book by Paul-Joseph Esquerré, director of the New York Post Graduate School of Accounting, as "a sweeping challenge of weaknesses in the present-day accounting structure—a ringing call to closer coordination of accounting principles and practices with the administrative purposes they serve."

It is very advanced accountancy, and the present reviewer cannot challenge the publishers "blurb." But he could not raise much enthusiasm among two accountant friends who were asked to read and report on the work.

Each and every business problem, Mr. Esquerré contends, must be solved by the accountant on the basis, not of an accounting formula nor of precedent, but of the conditions prevailing and the administrative objectives to be secured in the particular case in hand.

A consolidated balance sheet constructed on the basis of an assumed merger may, he points out, be either the best or the worst way of exhibiting facts and conditions embodied. A financial statement built in a frame which a banker would approve as the basis for a loan may be wholly inadequate to convey information needed by the management to direct operations. The joining together in one case of facts entirely germane in another may produce impossible and absurd results.

From this standpoint, Mr. Esquerré examines critically the methods in accepted use to-day; discards, regardless of past authority, practices which are outworn or fail of their purpose; and puts forward sound, refreshingly flexible procedure that will help you decide from a new viewpoint scores of bothersome questions.

It is published by Ronald Press Company, New York, at $4.50, 369 pages, bound in cloth.

Pooling Wheat in Canada

Announcement that Graphic Publishers, of Ottawa, who have shown a good deal of courage and originality in the Canadian publishing field, would publish a new work on the Canadian wheat pool naturally aroused much interest. The Canadian wheat pool is the world's greatest experiment in co-operative farm marketing and has shown a growth so rapid and so great as to surprise even those most intimately asosciated with its development. It has grown up in an atmosphere of heated propaganda, emanating from its own constituent organizations and from those whose established institutions have been adversely affected by the rise of the pool. An independent, reasoned survey of the work of the pool would be valuable.

Unfortunately "Pooling Wheat in Canada," by Walter P. Davisson, does not supply such an intelligent and unbiased examination of the work of the pool. It is a piece of pool propaganda. It is frankly an eulogy of the pool by one who has had a part in its upbuilding. The full page photograph of Aaron Sapiro opposite the frontispiece aroused some fears that the book might turn out to be a fulsome work of praise of the pool. The introduction by a friend of the author's confirms the suspicion, for it declares that Mr. Davisson "writes as an apostle who would save farmers from the sin of persistently tempting organized interests to exploit them." A few pages later on a typically Sapiroistic utterance is quoted and it is stated that this strikes a "charactertistic Sapiro note." It is indeed typical Sapiro hokum.

But while it is unfortunate that the book is throughout special pleading, it is a contribution to the study of the wheat pool that all interested in that great important element in Canadian business life will want to read. The writer gets off the main track of facts occasionally and takes pleasant little excursions into the branch lines of sentiment and hokum.

These serve to string the book out to a larger number of pages, but have little value besides.

Davisson, in one chapter, attempts to meet the argument of the grain trade that the wheat pool brings the farmers less than they would get in open trading. He seems to show up weakness in some of the grain trade's arguments, but he does not meet them. There is a lack of thinking through in this chapter as in many others. He objects to the large volume of trading on the grain exchanges totaling many times a single year's crop, and tries to indicate that the farmer pays for speculation in wheat. But a few pages later on he naively records that when wheat prices fell to within one cent of what the wheat pool had paid out to its members in an interim payment and bank loans were endangered, the pool stepped in boldly and bought wheat. When the speculators were selling wheat and it went down, it was "hammered." When an artificial transaction by the pool put it up, "the price balance was corrected."

However, the author does throw out two warnings to the wheat pool. First, he tells the pool that it must iron out the difficulties lying in the way of co-operation between the pool and the Canadian flour mills. He presents evidence that the wheat pools early in the present year sold Canadian wheat abroad at less than they were selling it to the Canadian flour mills, thus making it impossible for Canadian mills to export flour at a profit. He does not offer any evidence in rebuttal and seems content to let the charge stand. And he also warns against any attempt to put the pool into politics. "Politics will not blend into the economic machinery." This is sound. If the wheat pool takes this word of advice to heart, its future in Western Canada is assured. "Pooling Wheat in Canada" is published by Graphic Publishers, Ottawa at $2.50.

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INQUIRIES INVITED

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published in this column. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining, insurance inquiries on sheets separate from other investment inquiries.

Industrial Alcohol

Do you consider that the shares of the Canadian Industrial Alcohol Company are a good purchase for a few months hold?

The shares of the Canadian Industrial Alcohol Company appear to be an attractive business man's investment. Whether they will appreciate or not within the next few months, depends on prevailing market conditions. As a long hold proposition, the shares look extremely attractive.

Canada Dry

Please give me your opinion of Canada Dry, Beacon Oil, Area mine and Mining Corp.

Canada Dry Ginger Ale is an American company. While we do not pretend to have information concerning United States companies at hand, we understand that this company has good prospects.

Beacon Oil is reputed to be an attractive oil company, but the stock shows no sign of being more active than it has been in the past.

Area Mine is a prospect on which some diamond drilling has taken place.

Mining Corporation is a speculation with some attractions.

Foreign Power Securities

I would like your opinion on Foreign Power Securities Corporation as an investment, also when you think dividends will be initiated.

The 6 per cent., cumulative, participating, preferred stock of the Foreign Power Securities Corporation was first offered to investors in May of this year. The preferred shares are on a dividend paying basis now, and earnings from the company's holdings of public utility companies operating in France are sufficient to pay the preferred dividends on the issue.

The preferred stock when issued carried a bonus of one half share of common with each share of preferred.

It is impossible to say or even to make a guess, when dividends will be paid on this stock. We take it that your enquiry has to do with the common shares only, as the preferred is on a regular quarterly dividend basis at the present time.

It is said that there will be great future development of the hydro-electric industry in France, and with such development the Foreign Power Securities Corporation's subsidiaries should also increase their earnings. At the present time, officials of the corporation are in France, where, it is understood, further expansion is contemplated.

Thus, the common shares of the corporation are a long hold speculation for a business man. The attractiveness of the common stock simply depends on the ability of the management of the company to extend and increase its earnings. Those behind the corporation have a successful record of similar undertakings and financing in Canada.

Investment Bonds and Shares

Royal Securities Corporation, established in 1903, controls a Dominion-wide organization for the service of investors in Canadian securities — Government, Municipal, Public Utility and Industrial.

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Pressed Metals

Let me have an opinion, please, on the common shares of Pressed Metals, Ltd.

The outlook for Pressed Metals appears to be excellent. There is a speculative element surrounding the company, namely, that it is a one product concern. Should motor car firms begin using other bearing material, the company might experience difficulty. However, the outlook is satisfactory at the present time.

International Paper

Do you look for an appreciation in the common shares of the International Paper Company over the next few months?

No one can guarantee an appreciation in the common shares of the International Paper Company over the next few months, the reason being that the newsprint industry is in the doldrums and the opinion of all newsprint executives is that it will remain so perhaps for another two years. The potentialities behind this stock, though, are enormous.

When the pulp and paper business gets back to a little more prosperous position, there is reason to believe that the common shares will reflect the new conditions. However, you must remember that the shares are speculative, and that you would be well advised to include International Paper common with other securities in the same class.

Brazilian Republic

Please let me know your opinion of the 6½ per cent. bonds of the Brazilian Republic. The issue to which I refer matures in 1951.

The Brazil 6½'s of 1951 are listed and quoted on the New York Stock Exchange at present at about 92¾. The issue was put on the market at 90½. Thus you will see that there has been some price appreciation.

The bonds of the Argentine, Brazil and Chili, are ranked as the best South American government securities. Thus you will see that the issue is especially attractive to a business man who desires to obtain a wider diversification in his bond holdings, and at the same time to obtain a high yield.

We think that you should regard these bonds as a means of providing diversification, and if you make the purchase, the amount involved should only represent a small proportion of your total holdings invested in bonds.

Saguenay Pulp

I am a shareholder of the Saguenay Pulp and Power Company. As the assets, which consist only of shares in the Quebec Pulp and Paper Mills have not been distributed to the shareholders as yet, would I be wise in taking legal action to prevent the sale of the Quebec Pulp and Paper Mills to new interests until such time as the stock is allotted to the shareholders in the old Saguenay company?

The Saguenay Pulp and Power Company is now in liquidation, and in due course its holdings of Quebec Pulp and Paper Mills stock will be sold. As far as we are able to ascertain, there will be nothing left over in the liquidation for the common shareholder. After paying its debts, there will be something available for the preferred shareholders of the old Saguenay Pulp and Power Company.

We are not particularly impressed with the manner in which the Saguenay Pulp and Power Company situation has been handled since the properties were handed over in exchange for new Quebec Pulp and Paper Mills stock. On the other hand, it seems to us that you would be unwise to endeavor to stop the transaction by taking legal action.

We are inclined to doubt that such action would have any effect on the sale of the Quebec Pulp and Paper Mills, and, moreover, you would simply be sending more money after what has already turned out to be an exceedingly poor investment.

The best course for the Saguenay pulp and Power Company seems to be the sale of its holdings of common shares in the Quebec Pulp and Paper Mills. As you are aware, these common shares have but little value. Incidentally, in view of the record of the Saguenay Pulp and Power Company, it seems to us that the preferred shareholders are lucky to be able to drag anything whatsoever out of the wreck.

Tooke Brothers

Give me an opinion, would you please, on the common shares of Tooke Brothers?

Tooke Bros. common stock is a not particularly attractive speculation. There has been some internal reorganization in the company and we believe that during the current year earnings will show an increase. About the only attractive thing which we can see about the common stock is that it is understood that J. W. McConnell has become interested in the property. In our opinion there are many speculative stocks which look more attractive at the present time.

Kelvinator of Canada

The writer holds 20 shares of Kelvinator common purchased at 12, 11 and 10. Yesterday's quotation was 7 and preferred in the neighborhood of 65 The dividend on the preferred, we understand, is guaranteed by the parent company, The Electrical Refrigeration Corp., of the United States. In view of the fact that this stock has decreased about 25 points in the last few months a friend of the writer's who holds some of it wrote to the company through whom it was purchased asking for advice, but they would neither advise to buy or to sell.

Would you kindly give your opinion on both common and preferred and if common goes any lower would you, if you were in the writer's position, double up? Enclosed please find stamped envelope for reply.

The company, as you know, is one of the two largest engaged in the business of making electrical refrigerators. We believe that the leaders in this industry should do very well in the next ten or fifteen years. It has been predicted that the electrical refrigeration industry should have a relatively large expansion.

It must be admitted that the business is somewhat seasonal. There is also competition and possible additional competition from so-called dry ice. Some other companies in business have the advantage of manufacturing other electrical apparatus, which makes their profits in off seasons. On the other hand, the Kelvinator Company of Canada has the whole world for its market outside of the United States, and in view of the fact that there will be a great demand for apparatus of this kind from tropical countries, we think that the seasonal factor is offset in some degree in Canada.

As a general rule, we are somewhat adverse to suggesting that any investor increase his holdings at lower prices in order to average up. Oftener than not, possibly, this course meets with disaster. We think that another three or six months will begin to show whether or not this company is capable of going ahead at the rate predicted a year ago.

Possibly the Canadian stock has been sympathetically affected by the adverse position of the stock of the parent company in Detroit, while the Canadian company may have been in somewhat better position.

Earnings of $56,000 annually are required to pay dividends on the preferred. This should be possible. The outlook for the 100,000 shares of common, in our opinion, is not nearly so good.

International Power

I am a woman investor and I am holding a block of International Power preferred and common. I bought the preferred with the bonus of common at 98.50. The preferred now sells at 90 and the common at 26. Will I sell out now and take a profit? Why has the stock appreciated recently Will it pay a dividend soon?

There is no indication of an immediate dividend on the common shares of the International Power Company. As far as we can ascertain, it will be some time before dividends on the common stock will be declared. The reason for the appreciation in the price is due solely to two factors, namely the general buoyancy of the market for power securities and the steadily improving position of the subsidiaries of the International Power Company.

Whether or not you should sell your International Power preferred and your International Power common at the present time depends entirely on your idea in purchasing the stocks.

If you purchased these shares to obtain a quick appreciation, you now have it and you would be well advised to sell.

On the other hand, if you purchased your International Power with the idea of making an investment which would return you a very satisfactory yield, we see no reason why you should sell the stock, more particularly in view of the improving position of its subsidiaries.

You might wish though to take your profit on the common shares now and retain your preferred as a permanent investment.

The subsidiary companies of the International Power have made satisfactory progress over the past year.

If this progress be maintained in the future—and there seems every reason to believe that it will be—the common shares over a term of years will probably sell at materially enhanced prices.

Thus, if you are in a position to hold your International Power common over three, four or five years, we should advise you to do so.

The foregoing, of course, presupposes that you are in a position to hold business men's speculative securities such as the International Power common. Incidentally, we class the International Power preferred as a business man's investment.

We do not recommend shares such as International Power common as an investment for women. We take it, though, from your letter that your financial position is such as to allow you to devote a proportion of your holdings to the long hold speculative type of stocks. We take it also that you have some other common stocks in the same class as the common of International Power, so that in the future, by diversification, what you lose on the roundabouts you will make up on the swings.

Asbestos Corporation

What do you think of the preferred and common shares of the Asbestos Corporation?

Since its formation, we understand that the Asbestos Corporation has made steady progress. The preferred appears to us to be a satisfactory business man's investment and the common over a term of three, four or five years undoubtedly has many speculative attractions. Eventually, we look for a closer co-operation between the Asbestos Corporation and the few competitors of the corporation which now remain in the Quebec asbestos field. The province of Quebec produces about 85 per cent. of the world's asbestos requirements and as there are but a few companies operating in the field, we feel that prospects of the corporation are satisfactory. The corporation's ore reserves are sufficient to last indefinitely. The common shares, though, are speculative and look attractive to us only on a long hold basis.

Automotive Credit

Please tell me what market, if any, there is for the bonds of the Automotive Credit Corporation. Is there any security back of the bonds? How is the company progressing?

There is no market at all for the bonds of the Automotive Credit Corporation. Recently some of these bonds were advertised in a Montreal daily paper at $55, but we believe that you would be lucky to obtain one-half of this figure for each $100 bond.

There is no definite security laid down against which these bonds are a first charge. In reality, the bonds are notes and are a first lien on the entire assets of the company, which include some real estate in London, Ontario, in addition to notes of motor car purchasers endorsed by various dealers.

As we understand it, the company is in difficulties and at present is really not operating. It is understood that the last interest payment on the bonds was made with borrowed money.

Earlier in the year, April, we believe, the management was changed, and the present difficulties of the company are directly traceable to the inefficiency of the old management. The present management is endeavoring to do its best with a lame duck, but the future outlook both for the Automotive Credit Corporation and for the bondholders is not at all promising.

Nations Oil Refineries

I hold some preferred "B" and some of the common shares of the Nations Oil Refineries. I have heard nothing regarding the progress of this company. Is it still in existence? Are the shares of any value?

The assets of the Nations Oil Refineries are now owned by the Frontenac Oil Refineries. We understand that the Frontenac Oil Refineries is doing a good business, and recently this company put out a $1,000,000 bond issue which was sponsored by a reliable financial house. This will indicate to you something of the present position of the Frontenac Oil Refineries.

In the sale of the assets of the Nations Oil Refineries to the Frontenac Oil Refineries, the bond holders in the former company exchanged their bonds for one share of preferred and one share of common for each $100 bond.

The Nations Oil Refineries obtained 10,000 shares of the common stock of the Frontenac Oil Refineries in the sale. Thus to-day the Nations Oil Refineries is a holding company with assets amounting to 10,000 common shares in the Frontenac Oil Refineries. The capitalization of the latter company consists of $1,000,000 in bonds, $1,192,800 in preferred stock, and 90,000 shares of no par value common.

However, the Frontenac Refineries owns only the Nations Oil Refineries patents for that portion of Canada lying east of Ottawa. Should the Frontenac Oil Refineries extend its operations further west, or should the Frontenac Oil Refineries sell the rights to its patent process for the remainder of Canada, the Nations Oil Refineries would participate in such a sale or in such an extension of the company's activities.

As you can see, the Frontenac Oil Refineries will have to make astounding profit before you will be able to obtain the par value of your 8 per cent. cumulative preferred in the Nations Oil Refineries. In the meantime, Frontenac is expanding and increasing the number of its retail outlets. We understand that the company is making good progress, but you must remember that really Frontenac Oil can hardly be said to be in more than the initial stages of operation. It has, however, been in satisfactory production for some time, and has obtained a satisfactory number of retail outlets.

We do not believe that you will be able to find anyone wishing to buy your stock. Eventually, if the successful progress of Frontenac Oil be maintained, it should be worth something. You better place the scrip away in your safety deposit box for a four-year period. At the end of that period the shares may be worth more than at present.

When Women Invest

Four Preferreds May Attract Woman Seeking High Current Yield — Should She Hold Bank Stocks?

A Weekly Feature.

I have $1,000 to invest for a friend. I am anxious to obtain the highest possible yield. Can you advise any stock yielding 7 per cent. with reasonable safety? Capital appreciation in this case is of lesser importance.

Can you tell me anything about Laura Secord preferred?

Preferred stocks appear to be the answer to the problem of the investment of $1,000 for your friend.

In the circumstances, we assume that it is necessary for her to have good securities. Following we list four preferred stocks of varying yields and varying degrees of safety. You understand, of course, that the higher the yield, the greater the risk.

City Dairy

City Dairy preferred is one of the soundest stocks and is selling at a price to yield about 5¾ per cent. City Dairy is in an essential business. The community it serves is growing.

Massey Harris

Next on our list we would place the preferred stock of the Massey-Harris Company. Like City Dairy, it has no bonds having a prior charge on the property. The preferred stock of Massey-Harris Company is now selling at a price to yield approximately 6½ per cent. The price, however, is somewhat above the callable price and it is possible that this stock will be called within a year or two.

Laura Secord

The third preferred which looks attractive not only from the viewpoint of yield, but for other reasons, is the preferred stock of the Laura Secord Company. This company manufactures and markets candy and the business is growing. The management has proved itself to be capable. The stock is now selling at a price to yield close to 6 per cent. It has an additional attraction in that it is convertible into common on the basis of three shares of common for one preferred. This conversion would be profitable at any time a dividend on the common exceeded the proportionate dividend on the preferred.

Famous Players

A preferred stock with a really high yield, but which apparently is endowed with reasonable safety, is the first preferred of Famous Players Canadian Corporation. This is an 8 per cent. stock now selling at around 96, which gives a yield of better than 8¼ per cent. The company has shown increasing earnings for several years and there is no reason to anticipate that the dividends on its first preferred cannot be maintained.

It is essentially a luxury business, and a recession in general prosperity would immediately show in the earnings of theatres. It is a fact that theatre earnings fluctuate widely between good times and bad times that makes this first preferred stock sell at so low a figure.

We hope that our information concerning these four stocks will enable you advantageously to place your friend's $1,000.

Women and Bank Stocks

A client has asked us to obtain your opinion as to the desirability or otherwise of disposing of Canadian Bank of Commerce and C.P.R. shares purchased considerably below the present quotations. The holder is a married woman of limited means and she thinks that if she disposes of these stocks she might invest the proceeds in high grade bonds yielding say 5 per cent. and get approximately the same income.

While the present rise in C. B. of C. is attributed to United States buying, is there a possibility of the bank issuing new stock in the near future or increasing the dividend? We enclose stamped addressed envelope for your reply.

A good common stock is often as good as a bond. We see no reason why a married woman of limited means should sell C.P.R. shares purchased considerably below the present quotation. She is getting a good return and we believe the company will progress rapidly with the progress of the country.

The question as to the propriety of a woman of limited means holding bank stock hinges on the double liability clause of the bank act. If her total holdings are moderate, it probably would not be improper for her to continue to carry the stock, especially in such a strong bank as Canadian Bank of Commerce.

In companies where there are no bonds or preferred stocks, the common stocks are attractive to investors in view of the fact that there are considerable tangible assets back of the stock, as well as the possibility of increasing yield as the companies grow. Such a stock is Consumers' Gas, Toronto, which is selling on a basis to yield somewhat better than 5 per cent.

Essential to Sound Investment

Intelligent selection of a corporation security presumes accurate knowledge of certain elementary facts.

What's the company's capitalization? Is its financial position strong or weak? What did it earn, not only last year but over a period of five years? What dividends has it been paying?

The Greenshields Analysis (new 11th edition) readily answers such questions on more than 100 leading Canadian Stocks. It will be profitable to you to ask for a copy which will be sent free on request.

Write to Dept. A-4

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CAN YOU PICK MEN?

Your ability to choose the right man for the right job makes you a really great executive. Let me assist you through an analysis of the handwriting of men for new positions. Many Canadian executives find this service invaluable. Send specimen of handwriting to Psycho-graphologist, P. O. Box 701, Ottawa, Ont. Full fee $2.00. Prompt reply.

Editor's Note.—This journal testifies to the integrity of the above advertiser and to the scientific soundness of his delineations.

Investment of Autumn Funds

Many investors are now seriously considering safe channels of investment for autumn funds. We have a wide selection of diversified securities which we are pleased to submit at all times.

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Consolidated Water Power and Paper Company

First Mortgage Gold Bonds, Series "A", 5½%, Due 1947

Principal and interest payable, at the option of the holder, in Canadian currency in Montreal or Toronto at the Bank of Nova Scotia, or in United States gold coin in New York or Chicago.

These are well secured bonds of a Company which has demonstrated its ability to operate successfully over a long period of years.

The Company is an old established one with an enviable record of earnings.

We recommend the bonds as a sound investment, selling at an attractive price.

A circular giving full particulars will be mailed upon request.

Price 97 and interest, to yield 5.75%

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Limited
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71 St. Peter Street QUEBEC

245

NEW FILM BONDS PUBLICLY OFFERED

United Amusement Corporation 6% Bonds Carry Bonus of Stock Warrants

From Our Own Correspondent.

MONTREAL.—The Royal Securities Corporation is offering at 98½, $1,500,000 6 per cent., first mortgage, fifteen year, sinking fund bonds of the United Amusement Corporation. The bonds carry with them common stock purchase warrants. The corporation is one of the principal moving picture companies in the Dominion and at present operates 12 Montreal theatres with an aggregate seating capacity of 14,400 people. The theatres are well located and are thoroughly modern. The corporation enjoys operating advantages through the possession of franchises and agreements including preferential rights to first runs in its theatres of films of the principal producing companies. The Famous Players Canadian Corporation, the leading motion picture organization in Canada, owns a substantial interest in the shares of United Amusement Corporation. The particulars of the issue follow:

$1,500,000 United Amusement Corporation Limited

6 per cent., first mortgage, 15 year, sinking fund bonds, Series A.

Dated Sept. 1, 1927, maturing Sept. 1, 1942.

Capitalization—

	Authorized	Issued
First mortgage bonds, due 1942, 6% series "A" ..	$3,500,000	$1,500,000
Com. shs. (n. p. v.)	100,000 shs.	60,036 shs.

Company.—Operates twelve large Montreal moving picture theatres and is affiliated with the Famous Players Canadian Corporation, the leading motion picture theatre organization and film distributing organization in the Dominion.

Purpose of Issue.—To redeem purchase money mortgages amounting to $213,250, to redeem all the corporation's presently outstanding 8 per cent. preferred stock and for the construction or acquisition of further theatres.

Assets.—Equivalent to $1,750 for every $1,000 bond now being issued.

Earnings.—During the two years ending August 31, 1926, earnings have been equal to 2.71 times the annual interest requirements of the present bond issue. For the ten months ending June 30, 1927, net earnings before depreciation and applicable to interest charges amounted to 3.48 times the interest requirements on the present issue. Earnings in future, it is anticipated, will increase, as the company has opened two new theatres during the past year.

Sinking fund.—The trust deed provides for an annual, cumulative sinking fund which will retire by maturity an amount equal to 60 per cent of the bonds now being issued.

Security.—Further bonds of the present issue may only be issued to the extent of 75 per cent. of the cash cost of further capital expenditures.

Stock purchase warrants.—Each $1,000 bond bears a warrant entitling the holder to purchase 4 shares of no par value common stock of the company at a price of $25 per share up to September 1, 1933.

Offered.—Sept., 1927, by the Royal Securities Corporation at 98½ to yield about 6.15.

Edwards Chosen President of Chartered Accountants

H. Percival Edwards, F.C.A., member of the firm of Edwards, Morgan and Co., Chartered Accountants, has been elected president of the Dominion Association of Chartered Accountants.

Mr. Edwards will represent the Dominion Association at the meeting of the American Institute of Accountants to be held this month at Del Monte, California.

We offer—

The Club Aluminum Utensil Company

(An Illinois Corporation)

COMMON STOCK

This company manufactures and distributes a distinctly superior process-hardened cast aluminium kitchen ware.

From a capitalization of $25,000 the company in less than five years has built up a business with net worth of over $1,000,000. Gross sales during the last fiscal year amounted to $5,512,720, net earnings to $800,357.

The company's growth is shown by comparison of the earnings during June for each of the last five years.

	Profit	Increase over June, 1923
June, 1923	$ 735	
June, 1924	7,449	913%
June, 1925	28,504	3776%
June, 1926	54,075	7254%
June, 1927 (est.)	113,784	15376%

Price and other particulars on request.

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News of Investment Markets

FEDERAL DEBT PROPOSALS WILL AID BOND MART

Reinvestment Will Cause Demand for Seasoned Issues

Announcement this week by Hon. James A. Robb, Minister of Finance, that the Federal Government was prepared to meet payment in cash of two bond issues of $29,068,400 and $8,000,000, falling due on November 1st and 5th next, respectively, and that a substantial balance would remain for settlement of the $63,437,000 maturing in December, has elicited various comments from investment bankers. All are of the opinion that if Mr. Robb carries out his proposed programme in connection with the Dominion's indebtedness, then the bond market will display unusual strength for several months to come.

The last statement of the public debt as at August 31st, 1927, shows that the total debt at that time—no credit being taken from non-active assets—was $2,284 millions, as compared with $2,295 millions in previous month, and $2,340 millions at the end of August, 1926. The funded debt at the end of last month totalled $2,480 millions, of which $1,943 millions was payable in Canada; $311 millions in London; and $225 millions in New York. As compared with a year ago, there is a decrease of $42,000,000 in the amount payable in Canada and $3,000,000 in New York, while London figures remain unchanged.

Short Term Loan Possible

It will be noted from these figures that there has been an appreciable decrease in the funded debt over the past twelve months, but in view of the heavy increase in revenue during the same period, it is thought that the Government's proposed action in cutting $37,000,000 or even more of the debt should be carried out. If this is done, then there is little likelihood of the Government carrying out any long term financing this year. Redemption of those bonds maturing this year, aside from those paid off in cash, will likely be carried out by a short term loan.

This loan can be very readily raised by the Government at present under most advantageous terms. If this is done, then an opportunity will be available to make a further cut in the funded debt before October 16th next year when another $53,000,000 falls due. At that time, the Government can go ahead and arrange for its refinancing on an extensive scale.

Bond dealers are of the opinion that the redemption of the $37,000,000 or more Dominion bonds this year in cash, will have a salutary effect on the market. This large sum of money, combined with the rapidly accumulation of funds in the hands of the public, banks and institutions, will naturally have to seek a profitable field for reinvestment. Scarcity of good issues and lack of any proposed financing of a large scale, will bring about a keen interest in well seasoned corporate, government and municipal issues. In view of the small yield of the latter two classes, it is believed that attention will centre upon the former.

Furthermore, the stock market will undoubtedly reflect the easy money situation, which should be the means of bringing about a stimulus to those stocks which have been in public favor during the past few months.

Canada Malting Stock Meets With Good Demand

One hundred thousand shares of Canada Malting Co., offered by Mara and McCarthy this week, were quickly sold. This company, which commenced business in June, 1900, and has modern and well-equipped plants in Calgary, Winnipeg and Montreal, passes into the ownership and control of the new company upon completion of the present financing.

Management of the business will remain in the hands of those who have been in charge of the business for many years. The company has no bonded debt, mortgage, preferred stock, or bank loan, and is entirely free of debt with the exception of current accounts.

The directors state that, in view of the company's strong financial position, it is the intention at an early date to place the common shares on a dividend basis of $1.50 per share per annum. It is intended to make immediate application to list the shares on the unlisted department of the Toronto Stock Exchange and on the Montreal Curb Market.

Particulars of the issue follow:

100,000 Shares, Canada Malting Co., Ltd.

Company—Upon completion of present financing, will own and operate all the business and undertaking of the Canada Malting Co. The company commenced business in 1900 and has plants in Calgary, Winnipeg and Montreal, which are all thoroughly modern in design and equipment.

Security—Only one class of stock—no par common shares. Company has no funded debt, mortgage preferred stock or bank loan, the company being entirely free of debt except for current liabilities.

Assets—After giving effect to present financing, current assets are shown at $1,711,725, as against current liabilities of $138,530. Fixed assets are shown at $3,216,730.

Earnings—Earnings have averaged about $370,000 per annum in the last three fiscal years, and in the nine months ended July, 1927, totaled $243,074.

Management—There will be no change.

Dividends—It is the intention to place the common on $1.50 dividend basis.

Listing—The stock has been put on the unlisted department of the Toronto Stock Exchange and on the Montreal Curb Market.

Offered—By Mara and McCarthy, at $25 a share.

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COLOMBIAN BONDS SOLD IN CANADA

Canadian Houses Associated With U. S. Syndicate in Offering

A strong American syndicate headed by Hallgarten and Co., and Kissel, Kinnicutt and Co., of New York, in association with Dominion Securities Corp., and other Canadian houses, are offering this week $25,000,000, 6 per cent. external sinking fund gold bonds of the Republic of Colombia. This is the second foreign issue to be offered in this country during the past two or three weeks.

These bonds constitute the direct obligation of the Republic of Colombia, the proceeds of which are to be used chiefly for the extension and unification of existing railway systems and for the development of port works and the deepening and canalization of rivers, as well as for the repayment of a short term loan of $10,000,000 granted this year, the proceeds of which were also applied to the foregoing purposes.

Colombia has a population estimated at over 7,800,000 and an area of over 475,000 square miles. Adjoining on the south the Isthmus of Panama, it has a coast line both on the Atlantic and the Pacific oceans, and occupies, geographically, the most favorable position for international trade of any South American country. The country's chief industries at present are agricultural, Colombia being the second largest producer of coffee.

Financial position of the Republic has shown a marked improvement during the past five years. The national debt, which in 1922 was $46,948,000, had been reduced by June 30, 1926, to $23,407,000, or over 50 per cent. On completion of this financing, total national debt, both internal and external, will approximate $46,000,000. This is equivalent to about $6 per capita, which is among the lowest for any of the countries of the world.

Details of the issue follow:

$25,000,000 Republic of Colombia 6% External Sinking Fund Gold Bonds

Dated July 1, 1927 Due January 1, 1961

General—Principal and interest payable in New York in United States gold coins, without deduction for any Colombian taxes, present or future.

Redeemable—On any interest date, at face amount on not less than 20 days' notice.

Country—Adjoining the Isthmus of Panama, with coastline on the Atlantic and Pacific Oceans. An area greater than the combined areas of France and Germany. Population amounts to 7,800,000.

Resources—Mainly agriculture. Second largest producer of coffee. Also produces other sub-tropical products. Mining is extensive, especially oil.

Debt—National debt June 30, 1926, totalled $23,407,000, or about $6 per capita. This is very low when compared with the estimated per capita wealth of over $750.

Revenues and Expenditures—For the fiscal year 1926 amounted to $54,163,088 and $46,372,006, respectively. Each of the past four years has shown a surplus.

Trade—International trade has more than doubled from 1922 to 1926, amounting in the latter year to more than $218,000,000.

Sinking Fund—Of 1 per cent. per annum is provided for. All bonds retired through sinking fund shall be cancelled.

Purpose of Issue—Proceeds will be used for extension and unification of railway systems, development of port works, deepening of canals, and repayment of short term loan of $10,000,000, the proceeds of which were also applied to the foregoing purposes.

Offered—By Hallgarten and Co., and Kissel, Kinnicutt and Co., of New York in the United States, and Dominion Securities Corpn., and McLeod, Young, Weir & Co., Nesbitt, Thomson and Co., R. A. Daly and Co., Matthews and Co., Hanson Bros., Greenshields and Co., and Bell, Gouinlock and Co., in Canada, at 92½ and interest to yield about 6.55 per cent.

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Our Analysis of Goodyear Common

Shows in detail the development of this company's large earnings, its sound financial condition and a situation which we believe will eventually result in higher prices for the Common Stock.

A Copy Will Be Sent on Request

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P. T. LEGARE BONDS OFFERED THIS WEEK

Well-known Quebec Firm Plans Extension of Business

Following up the recent offering of preferred shares, McLeod, Young, Weir and Co. announce a new issue of $1,000,000 of 6 per cent. first mortgage sinking fund bonds of P. T. Legare Co.

P. T. Legare Co. is engaged in the business of merchandising home furnishings, stoves, furnaces, electric ranges, wagons, buggies, and farm implements and requisites of every description through a chain of fifty-two stores in the province of Quebec, and more than one thousand local agencies in that province, Eastern Ontario and Northern New Brunswick. The business was founded fifty years ago and is such a well-established institution—especially in the French-speaking districts of Eastern Canada—that it is estimated that fully 150,000 farmers in the province of Quebec are numbered among its customers out of 175,000 farmers who till the soil in that province.

Demands of present financing will be used to retire the presently outstanding issue of 7% bonds and for the expansion of the company's business in the province of Quebec—especially in the Saguenay and Gatineau Valleys—and in the Eastern Townships, where rapid industrial expansion is under way.

Details of the issue are subjoined.

$1,000,000 P. T. Legare Co., Ltd.

6% 1st Mortgage 20-year Sinking Fund Bonds Dated September 1, 1927, due September 1, 1947

Business—Engaged in merchandising home furnishings, furnaces, farm implements, etc., through 52 stores in the province of Quebec, and more than 1,000 local agencies in that province, Eastern Ontario, and Northern New Brunswick. Business was founded in 1877, and is the oldest and largest chain store business of its kind in Canada.

Capital—6% First Mortgage Sinking Fund Gold Bonds (this issue), $1,500,000 to be authorized, $1,000,000 to be issued; 6% Redeemable Debentures, due 1977, $700,000 to be authorized, $700,000 to be issued; 7% Cumulative Sinking Fund Convertible Preferred Stock, $1,500,000 to be authorized, $600,000 to be issued; Common Stock (no par value) 150,000 shares to be authorized, 100,000 shares to be issued.

Assets—Net tangible, after giving effect to present financing, are $4,682,557, equivalent to $4,682 for each $1,000 bond to be presently outstanding. Current assets are certified at $4,351,988, as against current liabilities of $1,938,350. Net current assets are $2,413,638.

Earnings—After providing for depreciation and bad and doubtful debts, but before Federal income taxes, amounted to $285,204 in 1926. For past four years have averaged $205,681 per year, or 3.42 times annual interest charges on this issue of bonds.

Mortgage Provisions—Additional bonds may be issued to the extent of only 60 per cent. of future-acquired assets, provided the average yearly earnings for the two preceding years, after all charges including depreciation, have been at least two and one-half times the yearly interest requirements on bonds outstanding and to be issued. The company covenants to maintain net current assets equivalent to 100 per cent. of the first mortgage bonds outstanding.

Management—There will be no change.

Purpose of Issue—Retire an issue of 7 per cent. bonds and expansion of business.

Offered—McLeod, Young, Weir and Co., at 99 and interest, yielding almost 6.10 per cent.

We recommend
Hamilton Dairies
Zimmerknit
Preferred and Common
DENMAN & CO.
LIMITED
INVESTMENT BANKERS
HAMILTON, ONT.
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Such first mortgage is held in trust for all bondholders by an old, widely known and responsible Trust Company of Canada.

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Such property is conservatively appraised and the bond issue is never for more than 60 per cent. of that conservative valuation.

The bonds are issued in denominations and maturities to suit the convenience of investors, and the interest is paid semi-annually.

Will you let us send you details of issues we are offering, now?

UNITED BOND CO., LIMITED
297 Bay Street, TORONTO
Imperial Bank Bldg., WINDSOR

IMPORTANT BOND ISSUE OF GATINEAU POWER IS OFFERED

Inter. Paper Subsidiary Will Use Proceeds for Reimbursement

One of the most important pieces of public utility financing for some months, is seen in the offering this week of $18,500,000. first mortgage 5 per cent bonds of the Gatineau Power Co by Harris, Forbes and Co., in conjunction with a strong Canadian syndicate.

Gatineau Power, a wholly owned subsidiary of International Paper Co., is one of the two largest power companies operating in Canada. It owns in fee or holds through long term government leaseholds, water power sites in Quebec province. with an aggregate potential capacity in excess of 800,000 h.p., of which almost 200.000 has been installed and is in operation. The growing demand for power in this section of Canada has made it necessary for the company to revise its initial development program for the installation of 397.500 h.p. and the capacity already completed or under construction now amounts to 443.500 h.p., of which 419,500 h.p. is on the Gatineau River. In addition, the company is acquiring nine hydro-electric plants with a present installed capacity of 16,000 h.p.

$18,500,000 GATINEAU POWER CO.

First Mortgage Gold Bonds 5 per cent. Series Due 1956.

Dated June 1, 1926 Due June 1, 1956

Company.—Quebec corporation and a wholly owned subsidiary of International Paper Co.

Resources.—Owns in fee or holds on long term leaseholds in Quebec province water sites of potential development of 800,000 h. p., of which 200,000 h. p. has been installed and is in operation.

Purpose of Issue.—Reimburse company for installation of capacity of Gatineau River in excess of amount initially contemplated and the purchase of nine additional plants.

Power Contracts.—Over 90 per cent. of primary power to be generated at these plants have been contracted on favorable terms.

Earnings.—Estimated will exceed $6,000,000 per annum on completion of programme, or 2¾ times annual interest requirements on the entire $43,500,000 first mortgage bonds to be presently outstanding.

Security.—A direct first mortgage and hypothec on all water powers developed and operating or in process of development now owned by the company.

Guarantee of Completion.—Sufficient safeguards have been taken in this connection to guarantee completion of program.

Offered.—By Harris, Forbes and Co., Drury and Co., Dominion Securities Corp., Royal Securities Corp., Hanson Bros., Greenshields and Co., Wood, Gundy and Co., A. R. Ames and Co., Nesbitt, Thomson and Co., R. A. Daly and Co., Rene T. Leclerc Inc., and The National City Co., at 97½ and accrued interest to yield over 5.16 per cent.

OGILVIE HOLDERS TO GET $10 CASH BONUS ON STOCK

Extra Distribution for 1927 is Double That of Last Year

Shareholders of Ogilvie flour mills will receive a bonus of $10 a share on the no-par common stock in addition to the quarterly dividend of $1.25 the share. This will make the distribution for 1927, $15. Last year the bonus was $5 and the total distribution $10.

The 1927 distribution of $15 per share constitutes a new high record in the company's history, being equivalent to $45 per share on the old stock of $100 par value, into which the capital stock was divided up to the end of 1924. Last year the distribution was equivalent to $30 per share of the old stock.

The ability of the company to maintain such a splendid record of liberal payments is attributed to the fact that it has sources of income other than purely flour milling. It has a grain business, grain elevators in the West and huge investments.

Dom. Power's New Car Barns Will be Economy

With foundations in, steel has begun on the new $400,000 car barns and shop of the Hamilton street railway, owned and operated by Dominion Power & Transmission Co.

This company has made rapid progress in the last year or two, since the signing of a truce with the local authorities and the establishment of relations which enables the traction branch of the business to operate under reasonable conditions. The new car barns and shops will contribute to better service to the public as well as effect economies of maintenance and operation.

Ward B. Perley Heads Canadian Steel Corp.

Ward B. Perley, of Windsor Ont., has been elected president of the Canadian Steel Corp. Mr. Perley went to Windsor a number of years ago as vice-president and general manager of the great corporation of which he now becomes the head, succeeding the late Judge Elbert H. Gary, who also headed the United States Steel Corp., the parent body.

While there has been no noticeable activity at the Ojibway plant, which has never turned a wheel since its completion, it is understood that Mr. Perley soon will have an important announcement to make.

New Industry for N.S.

The picking of blueberry and huckleberry leaves and drying them for the United States markets is becoming quite an industry centring around Yarmouth county, N.S. Last year 100 tons were shipped from there to Boston and this year the demand is for double that amont. The leaves are used for medicinal purposes.

ALBERTA PACIFIC GRAIN IS STRONG IN FACE OF CROP

(Continued from page 1)

thirteen-twelfths the annual charges under these heads, as the company began operating a few weeks in advance of what was officially its first fiscal year.

It reasonably can be anticipated that the earnings of this company in the current year will be considerably greater than in the fiscal year ended last June 30th. Not only is there more grain to handle, but the company is in the position to handle more. With a big crop, moreover, the independent companies get grain from wheat-pool acreage for the reason that the wheat pool has not the facilities for handling more than a portion of the total it contracted to handle when it induced its members to sign contracts. The pool must use the independent elevators for some years to come, even if the most sanguine expectations of pool enthusiasts are realized and the pool membership includes the whole of the wheat-growing acreage in the Western provinces.

Always Expect Bootlegging

However, there are few persons competent to judge conditions in the grain trade who expect that the pool will be able to get all farmers to sign pooling contracts or that all farmers who sign contracts will have all their grain handled by the pool. A great deal of it will reach the independent markets, it is believed, by the independent route, and the pool will be forced officially to use the facilities of the independent grain trade. This is the opinion of an expert who has watched the growth of the pool and is in sympathy with it.

Following is the Alberta Pacific's income account for the fiscal year ended June 30th and the comparative figures on the balance sheet as at that date and as at the time issue of the bonds and stock:

Profit and Loss Account Year Ending June 30, 1927

Operating Profits		$967,403
Less:		
Depreciation	$166,546	
Bond Interest	219,733	
	$386,279	
Net Profits		$581,124
Pref. Dividends		227,500
*Surplus		$353,624

*Subject to Dominion Income Tax.

Summary of Balance Sheet

Assets—	As at June 30 1927	As at July 1 1926
Fixed Assets:		
Properties	$6,429,152	$6,384,828
Investments	1,109,595	1,110,471
Current Assets	2,823,732	2,109,513
Deferred Chgs.	79,110	9,782
Total	$10,441,589	$9,614,594
Liabilities—		
Preferred Stock	$3,000,000	$3,000,000
Common Stock	2,412,355	2,421,851
Funded Debt	3,412,500	3,500,000
Current Liab.	1,247,049	692,743
Misc. Reserves	16,061	....
Profit and Loss	353,624	....
Total	$10,441,589	$9,614,594

This Week's Bond Sales

St. Jerome, Que.

An issue of $60,000 Town of St. Jerome, Que., 5½ per cent., 20-year bonds has been sold to Bray, Caron & Dube, at 100.60.

Municipality of Maple Ridge

The Royal Financial Corporation were the successful tenderers for an issue of $46,000, Municipality of Maple Ridge, B. C., 5%, 30-year local improvement debentures, the price being 99.63. The bids were:

Royal Financial Corp.	$99.63
Victor W. Odlum & Co., and Sheppard and McIntosh	99.176
Pemberton & Son	98.57
C. H. Burgess & Co.	97.32

Bromptonville Issue

Credit Anglo Francais were awarded an issue of Bromptonville, $165,000, 5 per cent., 1 to 40 years at a price of 99.27.

Bromptonville, Que. .... Sept. ....
Credit Anglo-Francais ....
5% 1-40 yrs. $165,000 99.27
Republic of Colombia .... Sept. ....
Hallgarton & Co., Kissel, Kinnicutt & Co., Dom. Securities Corp. and McLeod, Young, Weir. ....
6% 1961 $25,000,000 92½ 6.55

Tenders and By-laws

September 26—School Commission of Drummondville, P.Q., $110,000, 5 per cent., serial debentures. Gaston Ringuet, sec.-treas.

September 19—Catholic School Board of East Angus, $30,000, 5½ per cent., serial bonds. J. A. Vachon, sec.-treas.

September 24—School Municipality of Clarendon, P.Q., $20,000, 5 per cent., serial debentures. E. T. Hodgins, sec.-treas.

Sept. 26, Trafalgar Twp.—$19,663, 5½ per cent, 20 year bonds for construction of pavements. S. H. Allerton, Clerk. (See announcement on page 16).

ADVERTISING SHARES PUBLICLY OFFERED

Preferred and Common in Units Sold—First Canadian Advertising Issue

From Our Own Correspondent.

MONTREAL.—Williams, Partridge and Rapley, J. M. Robinson and Sons, and Bruneau and Rainville are offering investors $500,000, 7 per cent., preferred stock of Asch, Limited, in units of one share preferred, and half a share no par value at $107.50 per unit. The company is the largest outdoor advertising organization featuring painted display advertising in the Dominion. The territories served are between Kingston, Ontario, and Sydney, Nova Scotia. The company is affiliated also with the General Outdoor Advertising Company of the United States and has international facilities for soliciting painted display advertising.

The particulars of the issue follow:

$500,000 Asch, Limited

7 per cent., sinking fund, cumulative, voting and redeemable preferred stock.

Capitalization—

7% cum. pref. shares ...	$1,000,000	$500,000
Com. shares (n. p. v.)	20,000 shs.	20,000 shs.

Business.—Is the largest outdoor painted display advertising company in Canada. The company owns or has under lease approximately 3,500 locations throughout the territory which it serves.

Customers.—The company holds from one to five year contracts to supply advertising with over 175 of the largest and most representative companies in Canada.

Assets.—After deducting all current and deferred liabilities the book value of the preferred shares amount to $233 and of the common $33. The company has no bond issue, or bank loans.

Earnings.—The net average earnings after all charges applicable to the preferred stock over the past four years amount to $125,334. Dividend requirements on the issue will be $35,000.

Preferred stock.—There is an annual sinking fund of 10 per cent. of the net profits after payment of preferred dividends and in due course application will be made to list the preferred and common shares on the Montreal Curb Market.

Offered.—Sept., 1927, by Williams, Partridge and Rapley, J. M. Robinson and Sons, Bruneau and Rainville, in units of one share preferred and one-half share common share at $107.50. Fractional common adjusted at $25 a share.

Toronto House Offers Bonds of New Windsor Apartment

A new issue of $400,000, 6 per cent. first mortgage bonds of Windsor Court Apartments, Ltd., is being offered by W. A. MacKenzie and Co., Ltd. This company is the owner of property in Windsor, upon which is being constructed a three-storey, basement and sub-basement apartment house. This building contains 118 suites and a garage accommodating forty cars. In addition there will be a restaurant with proper kitchen and equipment, two electric elevators and a small shop for the convenience of tenants. The construction of the building and the equipment will be first-class in every respect with all modern conveniences.

Further details of this issue follow:

$400,000 Windsor Court Apartments, Ltd., 6%
1st Mortgage 15-year Sinking Fund Bonds

Dated June 1, 1927 Due June 1, 1942

Security—Company is the owner of a valuable piece of property in Windsor, Ont., upon which is being erected a large building containing 398 rooms, or 119 suites, together with 40-car garage accommodation, restaurant, etc.

Valuation—Land and buildings have been independently appraised at $710,000, so that the present issue of bonds represents only 57 per cent. of the total.

Earnings—Gross income, allowing vacancies of 10 per cent., are estimated at $99,096, operating expenses at $24,750, leaving net income of $74,346.

Sinking Fund—Commences June 1st, 1930. Trust Deed calls for $6,000 to be placed in fund semi-annually, plus an amount equal to a half-year's interest at the rate of 6 per cent. per annum on all bonds previously acquired or redeemed or which should be acquired or redeemed for sinking fund purposes.

Redemption—On any interest payment date before maturity and in whole or in part on 30 days' notice at 105 up to and including June 1, 1932; thereafter at 104 up to and including June 1, 1937, and thereafter at 103, in each case with accrued interest to date of redemption.

Construction—A bond guaranteeing performance of contract for erection and completion of building, which is expected to be ready for occupancy by October 1st this year, has been taken out.

Offered—W. A. Mackenzie and Co., at 97.60 and accrued interest, to yield 6.25 per cent.

BELL TELEPHONE HEAD OFFICE

MONTREAL.—The permit of the Bell Telephone Co. for the erection of its new head office in Montreal provides for a 20-story building. The new structure will be completed in about 18 months time.

Unlisted Bonds

	Bid	Asked
Abitibi Fibre 6s, 1947	96⅛	97¾
Abitibi P. & P. 6s, 1940	104¾	105½
Algoma Steel 5s, 1962	30	31
Alberta Pac. Grain, 6s, 1946	97¾	98¼
Bell Telephone 5s, 1955	102⅛	102⅝
Belgo Can. Paper, 6s, 1943	101½	102½
Brandram-Henderson, 6s, 1936	96½	98½
B. C. Pulp & Paper 6s, 1950	87	91
Brompton P. & P. 6s, 1946	99	99¾
Burns, P. & Co., 6½s, 1943	102½	104
Calgary Brewery 5s, 1942	93	94
Calgary Power 5s, 1940	92¾	93¾
Canada Biscuit, 6½s, 1946	100½	102
Canada Lt. & Pr. 5s, 1949	93¼	94
Can. Nor. Power, 6s, 1941	101	102
Can. Paperboard 7s, 1937	98½	101
Can. Steamships 5s, 1943	99¼	100
Can. Steamships 6s, 1941	98¾	99¼
Can. Steel Foundries, 6s, 1936	105¾	107
Davies, Wm., 6s, 1942	93	94
Dominion Iron 5s, 1939	32	35
Dominion Pr. and Tr. 5s, 1932	97⅝	98¼
Drummond Invest. 6½s, 1938	98¾	99½
Duke Price Pr. 6s, 1966	105⅛	105½
East Kootenay Pr. 7s, 1942	103¾	104½
Elec. Development 5s, 1933	100¼	100¾
Famous Players 6½s, 1943	99	100
Fraser Co. 6s, 1950	99⅛	100
Gatineau Power, 5s, 1956	97½	97⅞
Gatineau Power, 6s, 1941	100⅞	101¼
Howard Smith P. & P. 6s, 1941	103¾	104¼
International Paper 6s, 1941	104½	105½
King Edward Hotel 7s, 1944	91	94
Lake Superior P. & P. 6s, 1941	105⅛	106⅛
Laurentian Pr. 6s, 1936	103¾	105
Laurentide Pr. 5½s, 1946	101¼	102⅛
Maritime Tel. & Tel. 6s, 1941	104½	105¾
Manitoba Pr. 5½s, 1951	100¼	100¾
Mercury Mills 6½s, 1942	102	103
Mont. L., H. & Pr. 5s, 1951	100⅝	101
Mont. Pub. Service 5s, 1942	99⅛	99⅝
Nor. Ont. L. & P. 6s, 1946	100¾	101⅜
Nor. West Utilities 7s, 1938	99¼	100¼
Nova Scotia Steel 5s, 1959	63	69
Nova Scotia 6% Debs.	28	32
Nova Scotia Tram. 5s, 1946	92¼	93
Nova Scotia Tram. 7s, 1952	99¾	100½
Ont. Pulp & Paper 6s, 1931	108¾	110
Ottawa Hull Pr. 6s, 1948	103⅝	104¾
Ottawa L., H. & Pr. 6s, 1953	103⅝	105
Ottawa Mont. Pr. 6½s, 1949	102¾	103¾
Ottawa Trac. 5½s, 1955	100⅝	101½
Ottawa River Pr. 6½s, 1953	102¼	103
Port Alfred P. & P.,6½s, 1943	101¼	101⅞
Price Bros. 6s, 1943	103⅞	104⅝
Prov. Lt. Pr. 5s, 1946	101	102
Rio Tramway 5s, 1935	95¾	96⅜
Sao Paulo Tram. 5s, 1929	98	98½
St. Lawrence Paper 6s, 1946	97⅝	98¼
St. Maurice Valley 6s, 1945	98¾	100
St. Maurice Pr. 6½s, 1953	107½	108¼
Shawinigan W. & P. 6s, 1950	104½	106
Simpson's, Ltd., 6½s, 1945	103	104
Southern Can. Pr. 5s, 1955	98⅞	99½
Spanish River P. & P. 8s, 1941	106¾	107½
West Kootenay Pr. 6s, 1943	103⅝	104¾

BOND MOVEMENT OF THE WEEK

Week Ending September 13

Bonds	Int. Rate	Due	Yield	Range High	1926 Low	Range 1927 High	Low	Ask	Latest Price Bid	High	Low
Asbestos 6's	6	1956	6.15	88¾	81¼	97⅞	88	95	94½	97⅞	94¼
Can. Canners	6	1950	6.00	100	94	100¼	96½	100¼	99¾	100	100
Can. Cement	6	1929	5.53	103	100½	102¼	100	..	101¼	101¼	101¼
Can. Cotton	5	1940	5.10	99½	95	99¾	97	99	98¼	99	98½
Dom. Coal	5	1940	5.71	89½	84½	93½	90	..	93½	93½	93
Dom. Iron	5	1929	12.55	94	86	92	69	90	87½	87	87
Mex. Power	5	1940	8.52	71	67	72⅜	68⅝	72	71	72⅜	71¾
Mont. Power	4½	1932	4.33	91⅞	91	100¾	69	..	..	100¾	100¾
Mont. Trams "A."	5	1955	5.20	95	92½	97⅛	94¼	97⅛	96⅜	97⅛	96¾
Do., 5s	5	1941	5.02	90½	93	99⅞	97⅞	99⅞	99⅛	99⅞	99⅞
Quebec Rly.	5	1939	4.89	100	92	100⅞	96	..	100⅝	100⅞	100
Wayagamack	6	1951	6.00	100⅝	90	100	97	100	99¾	100	100
War Loan	5	1931	4.55	102.40	100.35	102.00	100.75	......	101.50	102.00	101.50
War Loan	5	1937	4.47	104.95	102.75	104.90	102.95	......	104.35	104.90	104.15
Victory Loan	5½	1927	4.90	102.50	100.15	101.70	99.85	100.25	100.10	100.05	99.85
Victory Loan	5½	1933	4.57	106.35	103.20	105.35	103.35	105.40	105.10	105.35	105.01
Victory Loan	5½	1934	4.90	104.40	102.65	104.10	102.80	103.55	103.30	103.60	103.30
Victory Loan	5½	1937	4.47	109.30	106.70	108.85	106.85	......	108.25	108.85	108.40
Victory Loan, ren.	5½	1927	4.75	101.95	100.00	100.80	99.90	100.25	100.10	100.00	99.90
Victory Loan, ren.	5½	1932	4.90	103.90	102.00	103.55	101.85	102.75	102.50	102.50	102.30
Victory Loan, ref.	5	1928	4.85	101.35	99.85	101.45	99.75	100.30	100.15	100.10	100.10
Victory Loan, ref.	4½	1940	4.55	96.95	95.60	100.15	96.50	99.10	98.85	99.25	98.75
Victory Loan, ref.	5	1943	4.68	102.80	101.10	103.90	102.30	103.65	103.35	103.75	103.30
Victory Loan, ref.	4½	1944	4.53	97.15	95.70	100.10	98.00	99.25	99.00	99.25	99.00
Victory Loan, ref.	4½	1946	4.53	96.90	95.65	100.30	96.70	.....	99.40	99.85	99.60

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS.

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
St. Jerome, Que.	Aug.	Bray, Caron & Dube	5½%	20-yr.	$60,000	100.60	5.44
Maple Ridge Mun., B. C.	Sept.	Royal Financial Corp.	5%	1956	46,000	99.63	5.02

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
P. T. Legare	Sept.	McLeod, Young, Weir & Co.	6%	1947	$1,000,000	99	6.10
United Amusement Corp.	Sept.	Royal Securities Corp.	6%	1942	1,500,000	98½	6.15
Windsor Court Apts.	Sept.	W. A. Mackenzie & Co.	6%	1942	400,000	97.60	6.25

SEPTEMBER INVESTMENT FUNDS

The following suggestions are submitted for the placement of funds awaiting investment at this time.

GOVERNMENT BONDS	Due	Yield
CANADIAN NATIONAL RY. CO. 4½% Bonds Guaranteed by Dom. of Can.	1957	4.60%
PROVINCE OF QUEBEC 4½% Bonds (Free of Succ. Duties)	1946	4.25%
MONTREAL ROMAN CATHOLIC SCHOOL COMMISSION 5% Bonds	1945	4.87%
CORPORATION BONDS		
BELL TELEPHONE CO. OF CANADA 5% First Mortgage Bonds	1957	4.85%
CANADA ATLANTIC RAILWAY CO. 4% First Mortgage Bonds	1955	5.10%
WAYAGAMACK PULP & PAPER CO. 6% First Mortgage Bonds	1951	5.95%
INTERNATIONAL POWER CO., LTD. 6½% Debentures	1957	6.50%
THE GUELPH CARPET & WORSTED SPINNING MILLS, LTD. 6% First Mortgage & Collateral Trust Bonds	1947	6.10%

Detailed information on any of the above issues will be gladly forwarded on request.

HANSON BROS.
Founded 1883
Investment Securities
Montreal: 160 St. James St.
Toronto: 330 Bay Street
Ottawa: 63 Sparks Street

Mara & McCarthy
Members Toronto Stock Exchange
Members Montreal Curb Market
Stock Brokers
297 Bay Street - TORONTO

We deal in—

C.P.R. 4½%	1944
Bell Telephone 5%	1957
Quebec Power Co. 6%	1953
Quebec Rly. 5%	1939
Wayagamack 6%	1951
Wayagamack 6½%	1930
Montreal Tramways 5%	1941
Montreal Tramways 5%	1955
Duke-Price Power 6%	1966
Manitoba Power 5½%	1951
Laurentide Power 5½%	1946
Montreal Power 5%	1951
United Securities 5½%	1952
Gatineau Power 5%	1956
Gatineau Power 6%	1941
Anticosti Corp. 6½%	1941
Anticosti Corp. 7% Preferred Shares	
Canada Steamship 6%	1941
International Paper 6%	1941

At all times we are prepared to submit satisfactory bids for the purchase, in odd lots, of Canadian Government, Municipal and high-grade Corporation Bonds.

RENE-T. LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 71, St. Peter St.
(ESTABLISHED 1901)
E226

Roberts-Cameron
& COMPANY, LTD.
Government and Municipal Bonds Listed Stocks
Northern Ontario Bldg.
AD.3486-7-8 TORONTO

We own and recommend:

International Paper
Cumulative 7% Preferred Stock

Price: at the market to yield over 6.80%

Circular upon request.

BROWNE, URQUHART & COMPANY
LIMITED
INVESTMENT BONDS
180 ST. JAMES STREET, MONTREAL

New Issue

$1,000,000

P. T. Legaré Company, Limited

6% First Mortgage 20-Year Sinking Fund Gold Bonds

TO BE DATED SEPTEMBER 1, 1927 TO MATURE SEPTEMBER 1, 1947

Principal and half-yearly interest (March 1st and September 1st) payable in gold, or its equivalent, at any branch in Canada of the Bank of Montreal, or at any branch in the Province of Quebec of La Banque Canadienne Nationale or La Banque Provinciale du Canada. Coupon bonds in denominations of $1,000, $500 and $100, registerable as to principal only. Redeemable in whole or in part on any interest date on 60 days' notice at 105 and interest for the first year, and thereafter at a price lower by ¼ of 1 per cent. per year until a minimum redemption price of 102 and interest is reached. Provision is made for a sinking fund sufficient to redeem this entire issue by maturity.

TRUSTEE: ROYAL TRUST COMPANY.

These bonds are a legal investment for life insurance companies under The Insurance Act, 1917, Canada.

P. T. Legaré Company, Limited, is engaged in the business of merchandising home furnishings, stoves, furnaces, electric ranges, wagons, buggies and farm implements and requisites of every description through a chain of 52 stores in the Province of Quebec and through more than 1,000 local agencies in that province, Eastern Ontario and Northern New Brunswick. The business was founded in 1877 and is the oldest and largest chain store business of its kind in Canada.

Net tangible assets, as certified by Messrs. La Rue & Trudel, chartered accountants, are equivalent to $4,682 for each $1,000 bond to be presently outstanding.

The average annual net earnings for the period 1923 to 1926, inclusive, after depreciation, were $205,681.57, or 3.42 times the yearly interest charge on this issue of first mortgage bonds. For 1926, net earnings after depreciation were 4.75 times bond interest requirements.

It is conservatively estimated that earning power will be increased by $50,000 per year as a result of the investment of new capital made available through the present financing.

The same management which has so successfully conducted the business for the past fifty years will remain in active charge and control.

These bonds are offered when, as and if issued and received by us, and subject to the approval of counsel.

PRICE: 99 and interest, yielding almost 6.10 per cent.

We recommend these bonds for conservative investment.

It is expected interim bonds will be ready for delivery on or about October 1st, 1927.

McLEOD, YOUNG, WEIR & Co
Limited
METROPOLITAN BLDG.
TORONTO
MONTREAL • OTTAWA • HAMILTON • LONDON

Statements in this advertisement, while not guaranteed, are based upon information we believe to be reliable and upon which we acted in purchasing these bonds.

Rare Blooms Are Real Monument Cement King Will Leave to Canada

Creator of Famous Butchart Gardens Started as Hardware Clerk But Became Great Master of Industry

By CHARLES L. SHAW.

For a good many years Robert Pym Butchart has been a big figure in the cement industry of Canada and the western United States, but when he is gone the most imposing monument to his memory will not be of cement but of flowers—of flowers growing in a garden that was once a desert.

Up and down the Pacific coast from Mexico northward, and in many parts of the East, too, Mr. Butchart, in spite of the wide range of his industrial and financial activities, is known for his garden rather than for his high position in the realm of business, and that very fact brings out perhaps the outstanding trait in the man—the desire to make industry an artistic thing as well as utilitarian. That he has succeeded in accomplishing this purpose will be attested to by the unnumbered thousands who have visited the famous gardens and marvelled at the achievements of Mr. Butchart. Indeed, his garden has become more of an obsession with Mr. Butchart himself than his great cement and other enterprises that have made him one of the richest of British Columbia's citizens. The thing in which he takes most pride to-day is not the knowledge that he rose from the less prominent role of hardware merchant in Owen Sound, Ont., to a position of enviable distinction in the cement and shipping world, but the realization that he has made beautiful a stretch of land that was once a barren, unsightly wilderness.

Entered Father's Store

Born fifty-four years ago in Owen Sound, "R. P." entered business at the early age of sixteen when he joined his father in running a hardware store. He showed rare aptitude for commercial work and in a few years had mastered the business, but he was thinking of bigger things than running a comparatively small hardware store. He was among the first Canadians to envision the enormous expansion that was to come to the cement industry, and in 1888 at the age of thirty-two he organized the first Portland cement mill in Canada, near Owen Sound. The venture was successful from the first and he proceeded to establish cement manufacturing plants at Lakefield, Ont.; Tod Inlet, British Columbia; Montreal; Calgary; Oswego, and in Oregon. Subsequently, he acquired a financial interest in several other cement concerns both in Canada and the United States.

"R. P." went to British Columbia and established his headquarters there in 1904, living in Victoria, where he directed his operations, already international in scope. He organized the Vancouver Portland Cement Company, which later became the B. C. Cement Company, and of which he is the president. He opened new cement plants on Vancouver Island, organized the Oregon Portland Cement Company, of which he is also the president, and became associated with the big coast wholesale house of Evans, Coleman & Evans, Vancouver, in the capacity of director. Coastwise transportation began to interest him and he became a director of the Pacific Alaska Navigation Company, Tacoma, Wash., and of the Pacific Steamship Company, one of the biggest sea transportation companies operating in the North Pacific. He was appointed a member of the advisory board for British Columbia of the Toronto General Trusts Corporation.

Refuses To Become Politician

Many times Mr. Butchart has been urged to enter politics, but while taking an active part in many community projects he has invariably turned aside with a smile all requests that he make a bid for parliamentary honors, which on many occasions he could easily have acquired without opposition. But "R. P." doesn't think that business and politics mix, and he is first and last a business man. The only time he volunteered for public service was during the war when the Union Government asked him to represent the Imperial Munitions Board on the Pacific Coast. Mr. Butchart took charge of the wooden shipbuilding programme. His task was to revitalize an industry that had been allowed to drift into the realm of the forgotten. The material was there—an inexhaustible supply of ship timber, but there were not the facilities for handling it, for fashioning it into shapes and sizes for ship construction. The facilities had to be established and in quick order, for the demand for ocean-going tonnage was insistent as a result of the depredations on the high seas of the Kaiser's fleet of U-boats. The personnel was not there either—at first. There were a few old-time shipbuilders who had worked on whaling and sealing craft and an occasional wooden steamer, but the Imperial Munitions Board programme demanded of them a task which never before had they attempted to perform. Yet Butchart surrounded himself with a group of able action-getters and they, fortified by a handful of technical experts, re-created the wooden shipbuilding industry on a scale that had never before or since been duplicated. They had to pioneer every inch of the way. All sorts of problems, including the demands of labor at a time when it was at the height of its unruliness in Canada, were faced daily, yet through it all Butchart smiled and got things done. He retired from the position only after the task had been accomplished and a score or more of staunch wooden ships had gone down the ways.

Beauty at a Cement Plant

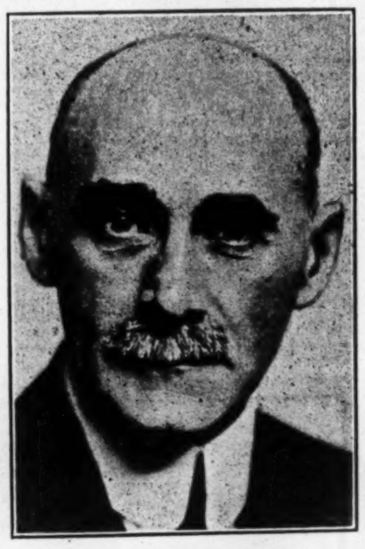
Those war years were strenuous ones for Butchart and he sought relaxion in his garden. At first he had no desire other than to fashion a pleasant retreat for himself at Tod Inlet near the site of one of his big cement plants. But as the garden progressed, a vision of its possibilities grew, and not only in "R. P's" mind, but in the mind of his wife, to whose imagination and love of beauty are attributed the amazing effects of the Butchart garden.

"Tod Inlet is one of nature's loveliest spots," said Mr. Butchart. "To put a cement plant there with its gaping, unsightly quarries, seemed like defiling a work of God. Well, the cement plant was there. That could not be helped and the world needed cement as well as beauty. But we wondered whether the eyesore of this wilderness of gray sand and clay could not be converted back into its original charm with a little effort. It seemed a hopeless idea at first, but we went ahead and built a sunken garden there. Yes, I can frankly admit that it has exceeded our expectations."

There is no lovelier spot to-day on Vancouver Island than "Benvenuto," the gardens that were once an abandoned quarry. Rare flowers bloom there in bewildering profusion, and every spring and summer the place is a riot of color—a fairyland of flowers of every description. Visitors from California say that Butchart's gardens are without a peer in their own state, and praise in this regard from California is praise indeed.

And so it is this garden—this fairyland of flowers in the wilderness—that will be Butchart's monument, rather than the pillars of cement that made his fortune. And those who know something of Butchart's pride in that garden know that he would prefer to have it so.

Mixes Cement and Flowers



R. P. BUTCHART.

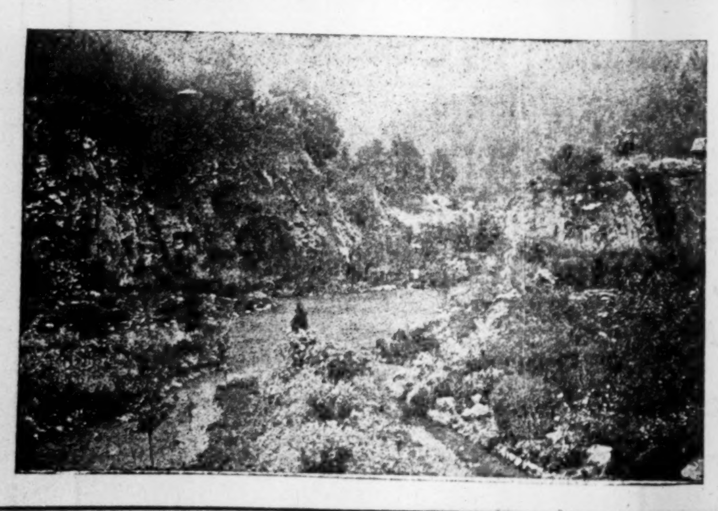
PLANTS MORE TREES

MONTREAL.—The Quebec Department of Lands and Forests has planted 1,600,000 trees this year. This is a record figure, but it will soon be surpassed, for the department will plant over 3,000,000 trees in all parts of the province next year.

Once a Rubbish Heap, Old Quarry Has Become Veritable Fairyland

"Standing to-day in the midst of this fairyland it is difficult to imagine what it must have been before the wand of the enchanter was waved over it. This deep amphi-theatre, that now shelters nothing that is not gracious and beautiful, was once a hopelessly ugly blot upon the landscape, a dreary pit, a monstrous deformity, bald, scarred, uncouth, forbidding. Its floor was covered with the untidy rubbish and discarded tools of the quarrymen, rusty and broken bits of machinery, rotting planks, empty boxes and cans, odds and ends of equipment, and heaps of jagged stones. Nature had not had time to throw a mantle of green over these ill-favored relics of industry, and to add to the general unloveliness, much of the debris lay half-buried in discolored pools of water.

"To know what this quarry once was and to see what it has become, brings home to one the marvellous possibilities of landscape gardening, when the directing agencies are inspired with patience, judgment and an unerring love of beautiful things, and the means to turn lovely dreams into equally lovely realities."—*LAWRENCE J. BURPEE, describing the Butchart gardens in a recent article in MacLean's Magazine.*



Sound Bonds Are Base of Harvard Trust Fund

To determine the best methods of diversifying investments, the individual cannot do better than to see how money is invested by banks, insurance companies, estates and trusts, fraternal orders and endowed institutions, particularly those which are not too rigidly governed in their investment purchases by law. The reason this reference is made to laws regulating investments is that no law or set of laws was ever enacted that could serve as an accurate and comprehensive measure of investment values.

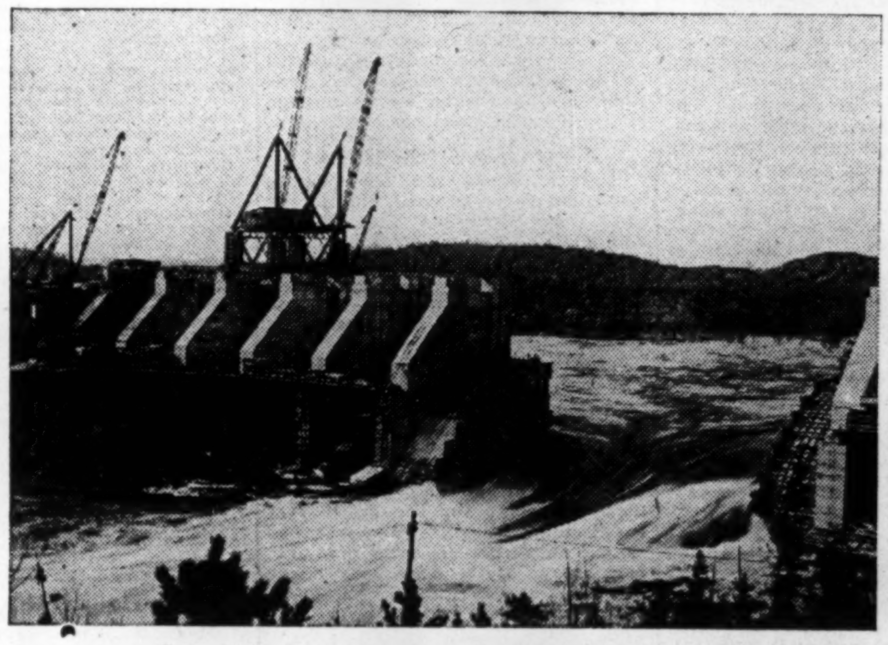
In this connection, the investment list of Harvard College is well worth attention. On June 30, 1926, the latest date on which detailed figures are available, Harvard's general investment fund, taken at cost, amounted to more than $61,118,000. Of the total investment, $48,929,222 or approximately 80 per cent. was invested in bonds, mortgages and notes. Analyzing this classification further, mortgages and loans accounted for 12.6 per cent. of the total fund; government and municipal bonds, 2.5 per cent.; railroad bonds, 19.86 per cent.; traction bonds, 3.75 per cent.; other public utility bonds, 26.45 per cent.; and industrial bonds, 14.87 per cent.

Of the $12,189,510 placed in stocks, $4,571,863 or 7.48 per cent. of the total fund was in industrial stocks; $1,297,894 or 2.13 per cent. in bank and insurance shares; $2,072,665 in railroad stocks; $1,364,673 in real estate trust stocks; and $2,882,415 or 4.72 per cent. in the stocks of public utilities. In each of these divisions there was further diversification. In the industrial stock list, for example, there were 37 issues, 24 of which were preferred stocks.

The fact that the great bulk of Harvard's investments is in bonds is worthy of emphasis. Large investors realize that bonds, as a class, afford the best safety zones for dollars. And they are careful to build up a strong investment foundation with sound bonds before including stocks in their holdings. Such a method is doubly advisable for the small individual investor.

N. B. TOURIST TRAFFIC INCREASES

Tourist travel via automobile into New Brunswick has shown an enormous increase during the past year. More than 67,000 cars had entered the province up to July 31, compared with 42,000 for the corresponding period of 1926.



Duke-Price Power Development, Grand Discharge, Que.

Harnessing Canada's Mighty Waters With Permanent Concrete

Water Power, Canada's greatest asset and the backbone of her industrial growth, depends in a large measure on concrete, the key construction material of all the large developments of recent years.

Adaptable readily to site difficulties, concrete assures a degree of rugged strength and permanence unobtainable with other materials. Dams and the Power House superstructure itself, are built with it, work in many cases having been carried on throughout the dead of winter, without interruption or delay.

Most of the materials required are usually found at, or near the scene of operations; the other component—"Canada" Cement—being always available in any quantity and readily transported to any place.

Always specify "Canada" Cement. It is uniformly reliable. "Canada" Cement can be secured from over 2,000 dealers in nearly every city, town and village in Canada. If you cannot locate a convenient dealer, write our nearest sales office.

Canada Cement Company Limited

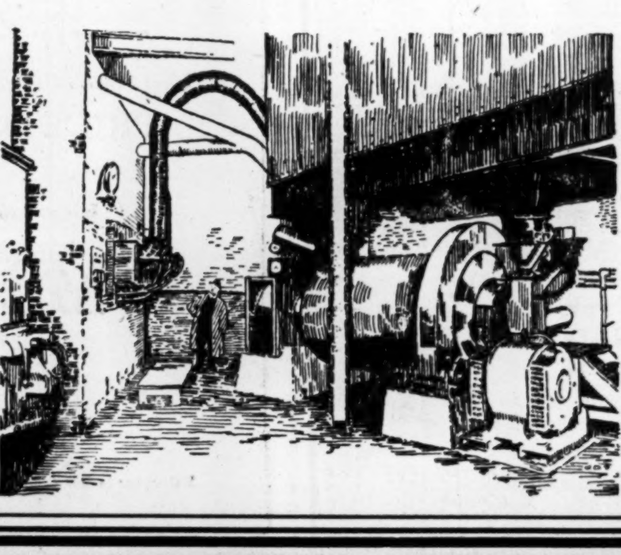
CANADA CEMENT CONCRETE FOR PERMANENCE

Canada Cement Company Building,
Phillips Square Montreal

Sales Offices at

MONTREAL TORONTO WINNIPEG CALGARY

We maintain a Service Department to co-operate with you in all lines of work for which concrete is adapted. Our library is comprehensive and is at your disposal at all times, without charge.



Kennedy-Van Saun Coal Pulverizing Plant

Saves WM. DAVIES CO. 25-30% of their Fuel Cost !

The Kennedy-Van Saun Coal Pulverizing Plant installed in the boiler room of the Wm. Davies Co., Toronto, reducing 70% Bituminous slack and 30% Coke breeze to a fine powder, 89% which passes a 200 mesh, has saved 25-30% of lowest previous fuel costs.

Full details of this installation and its operation together with interesting facts and figures on this better and cheaper method of fuel preparation and consumption will be mailed on request.

KENNEDY VAN SAUN PRODUCTS
Ball Bearing Gearless Gyratory Crushers, Jaw Crushers, Roll Jaw Crushers, Heavy Duty Rolls, Spring Type Spiked Tooth Coal Crushers, Continuous Bucket Elevators, Rotary Screens, Pulsating Screens, Grizzlies, Coal Pulverizing Equipment for Power & Metallurgical Purposes. Sand Washing Classifiers. Air Swept Mills. Improved Challenge Feeders, Combined Disc and Plunger Feeders. Standard Bottom Draught Bin Gates, Tower Dryers, Rotary Dryers, Indirect Heat Dryers, Rotary Kilns, Rotary Coolers, Wet Grinding Tube Mills, Sample Grinders.

In the service of industry

Sole Agents for Canada for Kennedy-Van Saun Equipment

31

The CANADIAN Fairbanks-Morse COMPANY-Limited

St. John - Quebec - Montreal - Ottawa - Toronto - Windsor - Winnipeg - Regina - Calgary - Vancouver - Victoria

THE MAKERS OF FAIRBANKS SCALES AND VALVES

CANADIAN FARMERS WILL STUDY NEEDS OF BRITISH MARKET

Party of 100 Will Tour England, Scotland and Denmark

Creation of a better understanding of the needs of the British market and the best means whereby trade can be stimulated, is the underlying motive of a trip of about one hundred Canadian farmers to the Old Country at the end of this year. This tour is sponsored and will be conducted by the Canadian National Railways, with the co-operation of the Federal Department of Agriculture, the British Ministry of Agriculture and the agricultural products representative of the Canadian Government in London.

The trip will in no sense be a pleasure tour for the parties concerned, but will involve a strenuous round of activities lasting over a period of two months—January and February. Furthermore the farmers will not be "spoon-fed," but are paying their own travelling and living expenses. Such organization expenses incidental to a tour of this kind will, of course, be borne by the sponsors.

For the past two or three months, the Canadian National has been actively engaged in interesting a representative body of men engaged in Canadian agriculture, especially from the West. The response has been exceptional, and it is quite likely that the party will number well over one hundred. In addition to farmers, the group will include representatives from co-operative marketing organizations, departments of agriculture, livestock associations, exhibitions and leading farming and daily journals.

Itinerary Nearly Completed

The itinerary is now practically complete, covering England, Scotland and Denmark. While in Great Britain the party will be entertained by many corporations and public bodies, at which addresses will be given by leading British authorities engaged in Empire marketing. British agriculture and live-stock breeding. Many problems of mutual interest will be discussed.

Unlike the South African farmers' tour, the Canadians will devote most of their time to the study of markets, marketing methods and standards, with a few visits to outstanding studs and herds where breeds of particular interest to Canadian farmers are kept. The party will land at Liverpool on January 18th. Visits will be paid to the corn exchanges and fruit markets, at which such a preponderance of Canadian products are sold; to the Birkenhead cattle wharves, and to the immense docks and storage plants of the Port of Liverpool. At Manchester the Corporation markets, the Ship Canal, storage and trans-shipping facilities and offices, mills and factories of the Wholesale Society will be visited.

From Manchester the party will proceed by motors to Brierley Hill, where the ham and bacon factory of Messrs. Marsh and Baxter, and the great pig market of Birmingham, the largest in the United Kingdom, will be seen. Stratford-on-Avon and Oxford are included in the tour, and at Reading live-stock farms and Sutton's seed laboratories will be visited.

Visit King's Herd

From Windsor, where by special permission a visit will be paid to His Majesty's farms with their fine herds and flocks, the party will motor direct to London for a three days' stay before proceeding to Denmark. While in London they will see the chief marketing centres, such as Smithfield and Covent Garden, while different methods of retailing Dominion produce will be studied at first hand from the highest class shops in the West End to the barrows in the streets.

The party will next proceed to Cambridge, where the colleges will be visited and the work in agricultural and marketing research, conducted by such authorities as Professor T. H. Wood and Sir William Hardy, will be explained. A visit will be paid to the herds, farms and factories of Messrs. Chivers, Ltd.

In Scotland trips will be made through East Lothian to Ayr, Perth and Aberdeen. At Perth the annual Shorthorn Show and Sale will be taken in, and it is anticipated that some of the visitors will take advantage of the opportunity to make purchases. Motor trips will be taken from each of these centres to leading herds of shorthorn, Ayrshire and Aberdeen-Angus cattle and Clydesdale horses.

Study Empire Marketing Board

"We want our people to see at first hand," states Dr. W. I. Black, Director of Agriculture of the Canadian National Railways, who is responsible for the tour, "and to know more of the work being done by the Empire Marketing Board in enlarging the field for Empire products. This affects us in grain, bacon, cheese, butter, fruit, honey and other products. We believe the effect on Empire trade of bringing a large number of our leading farmers into close touch with the old land, where they may learn for themselves, will be marked."

Science in Service of Industry

From the September Bulletin of the Bank of Nova Scotia.

The Minister of Trade and Commerce has lately put forward a programme of research into the scientific problems of Canadian industry, which is now to be given governmental direction and assistance.

Germany has demonstrated, within the last two generations, how greatly science can assist in economic development. The growth of her own industries after 1870 was surpassed nowhere but in the United States. In achieving this success, unique in a densely populated country, she leaned on her universities as none of her rivals dreamed of doing. This policy paid for itself a thousandfold.

Canada, within the same time, provided the world with one outstanding example of another kind. The telephone was invented in this country, but it was developed in the United States, where capitalists have been willing to spend vast sums on electrical research, knowing well that there could be no better investment. To-day we may hope that such a loss would not be repeated; for there is a growing realization of the great issues at stake where research is concerned. Many countries have been content to borrow the knowledge hardly by their competitors. None has yet become rich by doing so.

Need Arises as Nation Grows

In a young country the first steps in industry are made almost necessarily by practical men, and of these the most successful often rise from very small beginnings. The qualities of shrewdness, drive, and adaptability to changing circumstances have at this stage a supreme value. There is little demand for the technician and the scientist.

But as the management and workers become habituated to their tasks, the situation soon changes. The depletion of natural resources, often attended by waste, the creation of new wants in the purchaser, the finding of alternative means to the satisfaction of old wants, all of these make demands upon knowledge and increase its relative importance. At this stage the practical man turns to the scientist for help.

In two departments of knowledge, medicine and agriculture, Canada has already to her credit achievements of the first order. Insulin and Marquis Wheat—in widely different ways it is true—have brought and are bringing incalculable benefits to mankind. Canada was in both cases the first to profit by them.

In metallurgy, chemistry, bio-chemistry, genetics are problems of the first importance to millions of people. Upon discoveries in these fields, to cite only four examples, may depend the possibilities of using our enormous supplies of low grade iron ore, of turning to the best advantage the great coal deposits in the West, of giving the widest possible sale to the produce of our fisheries, of extending cultivation further northward. Hard work at the mine or in the field cannot solve these problems unaided. Hard work in the laboratory counts no less toward the result.

Knowledge For Its Own Sake

To reach its full usefulness, indeed, science in the service of industry requires not one but three classes of laboratories. The first is interested in pure knowledge, pursuing it often for its own sake. The second is concerned with the practical application of discoveries in laboratories of the first class. The third is concerned with the testing and measurements of the products of particular industries.

Present plans for the stimulation of research are concerned mainly with the second of these three classes: with the task of yoking in the service of industry discoveries often of an abstract and seldom of an immediately practical character. The possible fruitfulness of such work is nowhere better illustrated than in the case of our own Marquis Wheat.

It was an Austrian monk, Gregor Mendel, breeding peas in a monastery garden, who first worked out the principles of biological inheritance in 1873. Upon a knowledge of these principles depended the selection of seeds from among which Marquis Wheat was developed; with the result that a single head of grain, picked by Dr. Charles Saunders in 1903, became the parent of hundreds of millions of bushels of the best wheat in the world, grown over half a continent by the most prosperous of the world's farmers. Electrical refrigeration and the transmission of sound by radio furnish similar examples. Immense industries have developed from each of these within a few years.

Genius can no more be summoned than "spirits from the vasty deep." It appears sporadically, following its own inspiration. Endowment cannot create it, nor profit harness it. Permanent financial assistance and organization can, however, ensure that the practical application of pure science suffers no neglect; and that is what the new proposal contemplates.

Shawinigan Water & Power Redeems Underlying Bonds

From Our Own Correspondent

MONTREAL.—The Shawinigan Water and Power Company is calling for redemption on January 1 next its 5 per cent., consolidated mortgage bonds, of which the last balance sheet shows $3,263,000 outstanding. It has been said that the redemption of these bonds indicates the calling of some of the company's first refunding mortgage bonds of which there are $22,866,500 outstanding. The issue now being called is the only underlying issue of the company. Thus by the close of the year, Shawinigan's bonded debt will consist only of its first refunding mortgage bonds which, according to the series, mature between 1950 and 1955.

The company is authorizing a new $200,000,000 issue of bonds. Series B and C of the company's first refunding mortgage bonds bear interest at 6 per cent. Perhaps as Shawinigan of late has been borrowing money, due to the decline in interest rates, at below 5 per cent., the management will redeem some more of the present outstanding issues which bear a high rate of interest. Such financing would be accomplished by the sale of bonds of the new $200,000,000 issue and would result in reducing annual fixed charges.

Royal Financial Corporation Opens Winnipeg Branch

From Our Own Correspondent.

WINNIPEG.—Royal Financial Corporation has opened a branch in Winnipeg. The corporation, with head office at Vancouver, has also branches established at Victoria, B.C., and Edmonton.

The new office will be under the management of E. P. McDermid, jr., who has been with the firm for many years, with a long-standing experience in every department.

The new branch will deal in bonds and preferred stocks of the highest type in keeping with the policy of the parent office, one of the oldest and most highly regarded in the West.

Financial Assistance
to Estates being administered by it
PAID UP CAPITAL
AND RESERVE $1,259,430.36
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office: Winnipeg
Branches: Saskatoon and Calgary

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DO YOU VALUE RELIABLE INFORMATION?

Over $9,500,000 in cash was paid as dividends by the gold and silver mines of Ontario last year.

DID YOU GET YOUR SHARE?

Two years ago we advised the purchase of Teck-Hughes at $1.35. Now the mine has entered the dividend paying stage and the stock is selling above $7.50.

At the present time, we strongly recommend a **LISTED** stock, representing a **WORKING** property and selling right now below **TEN CENTS**, which we certainly believe has a brilliant chance to make good.

If you are interested in mining, and would like to know what this stock is, and why we recommend it, write your name and address on a post card, and mail it to us.

This does not obligate you to us in any way. **On listed and unlisted securities our means of obtaining the most reliable information assures you of that protection which conservative investors appreciate.**

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Western Investments

Those who have investments in British Columbia, with which they are not familiar, may write to us for independent reports or valuations.

Our organization covers every section of the province.

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GLASS of all descriptions
All kinds of flat glass available
For immediate delivery and in large quantities.

Case goods, fancy glass, wire inlaid, leaded, plain, striped or prismatic, colored, church glass, etc.

Also sole manufacturers
NON-SHATTERABLE.—PERFECT VISION.—BULLET PROOF GLASS

PERFECTION GLASS COMPANY
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LIMITED
MONTREAL
Factory
Atlantic Ave. and Hutchinson St

THE Earl of Selkirk was the first to realize the importance of Western Canada as a field for colonization. In 1811, he purchased from the Hudson's Bay Company 116,000 square miles of land in the Red River district. The first group of seventy settlers came in by way of York Factory, on Hudson Bay, and within three years were joined by two hundred more colonists.

From this nucleus, Manitoba has grown in wealth and prestige until now it ranks fourth in population. Yet the surface of its resources has barely been scratched.

Agriculture - There are 25,000,000 acres of potential agricultural land of which little more than half is occupied and only about one-third improved. The value of field crops produced in 1926 was approximately $120,000,000.

Water Powers - The development of public utilities in Manitoba within the last few years has been tremendous. Among others, there has been a great development of water power resources. The present industrial water power installation totals 227,135 h.p. with a total possible installation of more than 5,700,000 h.p.

Furs - Manitoba's chief source of wealth for two hundred and fifty years was pelts. And, today, after such a long period of toll, the fur-bearing animals of the province add approximately $2,000,000 annually to its resouces.

Minerals - A twenty-million ton copper ore body, numerous gold quartz veins and other minerals have been discovered recently in Manitoba and presage an industrial era which will equal and may surpass the wealth of its agricultural products.

Industry - Manitoba's rapid growth as a manufacturing province is shown by the fact that there are more than 700 establishments producing products valued at approximately one hundred millions of dollars.

Forests - Although usually considered as a "prairie" province, surveys say that there are 137,600 square miles of forest land within its boundaries.

¶ All of these vast resources make Manitoba today a rich field for exploitation and offer aspiring settler and capitalist alike unlimited opportunities.

The Northern Electric Company continues to contribute to this growth by developing and supplying much of the electrical equipment which binds the provinces together industrially and socially.

Northern Electric
COMPANY LIMITED
Equipment for the transmission of Sound and Power

Information
This announcement appears in the press throughout Canada this month.
1867 - CANADA - 1927

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Some Dangers as Well as Benefits in Holding Seat in League Council

Means Canada Becomes More Definitely Embroiled in European Politics, Without Consent of Parliament—On Other Hand, Will Win Canada Popularity

By JOHN A. STEVENSON,
Special to The Financial Post.

OTTAWA.—Canada's demand for a seat upon the Council of the League of Nations is a very important step, whose implications are worth examining. Our delegates are Senator Raoul Dandurand, Hon. Charles Stewart and Dr. O. D. Skelton, the deputy-minister of External Affairs and they are in Geneva with very definite instructions to prosecute Canada's candidacy. But it is also believed that the new enterprise did not excite wholehearted enthusiasm among all the members of the cabinet and that some of them were decidedly lukewarm about it. However, it has the ardent advocacy of Senator Dandurand and Mr. Lapointe, who were backed by all their French-Canadian colleagues, and their influence has carried the day.

Involve Us in European Politics

If Canada's candidacy succeeds, the effect will be to involve the Dominion very deeply in the politics of Europe and a distinct reversal of the general trend of the King Government's attitude towards European commitments is involved. Since 1921 its general line has been to fight shy as far as possible of any fresh responsibilities in Europe beyond what we were already involved in as signatory members of the League; it declined, for instance, to give any direct ratification to the Treaty of Lausanne, which was an attempt to clean up the Near-Eastern imbroglio and it boggled over endorsing the undertakings entered into by the British government in connection with the pacts of Locarno. As an ordinary member of the League, Canada is involved in territorial guarantees about which all our ministries from the Borden government onwards have displayed some qualms but, if we ever had to implement them as ordinary members of the League, some limit upon our active obligations could have been imposed on account of our geographical situation.

Now, however, if we become a member of the council and the council reaches a decision, which involves concerted action against some country offending against the canons of international conduct laid down by the League, we would be involved up to the neck in responsibility for carrying that decision into effect. And it would be a delusion to think that the risks of having to face such obligations are in any way slight. There are all sorts of places in Europe where trouble might break out at any moment. The frontier arrangements between Poland on the one hand and Germany and Russia on the other, are a constant source of grievance to the two latter countries and both of them are liable to seize the first decent excuse for reopening settlements which they regard only as temporary; Britain and France indeed when they were negotiating the Locarno Treaties refused to guarantee the eastern frontiers of Germany. Then the problem of Austria is another open sore; most of her people now hold that union with the German Republic is only an avenue of escape from slow economic death, but France, Czecho-Slovakia and Italy are all opposed to a fusion which would add substantially to the population and resources of Germany and Mussolini at least has hinted that he would go to war to prevent it. Again, Albania is a constant source of friction between Italy and Jugo-Slavia, Hungary is restless and dissatisfied with her present boundaries and the Bessarabian question has produced very unpleasant relations between Roumania and the Soviet government.

Conservative Journal is Critical

Any one of the controversies arising from half a dozen European problems might become crucial at any moment and the League would certainly be called upon to undertake some act of intervention in connection with five out of six of them. Therefore there is some point to the criticism made by the Ottawa Journal concerning the government's new adventure.

"What it means is that Canada becomes a deciding factor in the multiplicity of the issues of peace and war of the most complex character, chiefly centered in Europe. Is Canada in any position to accept this responsibility? A nation when it gives advice or when it seeks to influence decisions ought to be prepared to back up its word. It ought to be prepared in a practical way to stand by the consequences. Sir Wilfrid Laurier once held it that even consultation involved responsibility and that, therefore, he did not wish Canada to be consulted regarding Britain's foreign policy. That perhaps was carrying the matter too far, but we wonder what Sir Wilfrid would think of his successors now attempting to have this country, without an army or navy, meddle in a real and vital way in all the affairs of Europe."

Resentment Against U. S. Position

We cannot, of course, be a member of the League without accepting definite responsibilities in connection with it and, of course, it should not be forgotten that there is a distinct credit side to our European commitments. The United States has accumulated for itself in recent years a tremendous fund of unpopularity with the people of Europe. The relations of creditor and debtor never make for a deep mutual affection and in the eyes of a huge mass of Europeans the Republic figures in the role of Shylock. It is true that American bankers have evinced a generous disposition to lend money to European governments and finance industrial enterprises in Europe, but in the United States the prevalent view of Europe is that it is a continent abandoned beyond redemption to wicked national feuds and wasteful economic rivalries and that any close association with its component units is undesirable and dangerous. So Washington has steadily pursued a policy of isolationism and washed its hands of any direct responsibility for the woes and troubles of Europe. The European peoples are well aware of the attitude of their brethren in the United States and have deeply resented what they regard as an air of condescending superiority. Until recently resentment against the United States was strongest among the official and propertied classes, but the execution of Sacco and Vanzetti, two weeks ago, has made it now even fiercer among the working classes, who gave evidence of it in riots and agitations in half a dozen European capitals. Europe is sincerely afraid of coming under the economic domination of the United States and this sentiment is being skilfully exploited by the groups in different countries who would like to see the evolution of a United States of Europe. In the economic field there has been visible already a series of important industrial combinations and agreements whose obvious design is to offer a better front to American competition and this process is likely to go steadily ahead.

Canada Is More Popular There

Now Canada by reason of the fact that she has not pursued the policy of isolationist nationalism favored by the United States, but has shown a disposition to take an interest in Euorpe's troubles and lend occasionally a helping hand, has won for herself considerable popularity in Europe and European papers are continually holding up her attitude and actions in favorable contrast to those of the United States. Canada, therefore, has established for herself a fund of goodwill among the peoples of Europe and, although in trade prices are a more important factor than sentiment, yet, other things being equal, sentiment exercises some influence. Now, Canada and the United States are competitors in the European market in a number of lines; both have exportable surpluses of the foodstuffs and raw materials which Europe has to buy and in certain branches of trade like the flour business the rivalry has been very keen. There is some evidence that Canada's export trade has already benefited by her political attitude towards Europe and, if the ill-feeling towards the United States does not abate, she may benefit still more. British industrialists are taking a hand in some of the great European combinations which are being planned and their influence will be exerted in favor of these combinations turning to Canada in preference to the United States for imports of the raw materials which they can only secure from this continent. An expansion of our export market is one of our primary needs and here is a distinct credit side to the heavy political responsibilities which we have undertaken in Europe and which our government now seems prepared to increase.

Serious Step Despite Benefits

But our candidacy for a seat on the council is at the best a very serious step and in the opinion of the present writer a departure of such importance should certainly not have been embarked upon without the formal authority of parliament. Time and again in the realm of foreign policy Premier King has laid down the principle that the endorsation of parliament is indispensable for all major policies and he has more than once held up the ratification of quite minor treaties to secure the consent of parliament. Here, if ever, was a case where parliament should have been consulted and a full discussion of the pros and cons of an experiment which has serious implications should have been permitted. But the matter was not mentioned last session and no spokesman of the government has deigned to explain the reasons animating the new policy and the advantages to be derived from it. If, indeed, Canada secures election to the council, parliament and the country will simply be presented with a fait accompli. The experiment may turn out all right but quite clearly the principles of democracy are not being applied to the management of our foreign policy.

DIVIDEND NOTICE

ECONOMIC INVESTMENT TRUST LIMITED

Common Dividend No. 1

Notice is hereby given that an interim dividend of two per cent. for the half year ending the 30th September, 1927, being at the rate of four per cent. per annum, has been declared on the Common stock of the Company.

The above dividend is payable on and after the first day of October, 1927, to shareholders of record at the close of business on the twentieth day of September, 1927.

By Order of the Board.
C. J. HUNTER,
Secretary.
Toronto, September 12, 1927.

Conduits Company, Limited

NOTICE OF DIVIDEND

Notice is hereby given that the regular quarterly dividend of one and three-quarters per cent. on the Seven Per Cent. Cumulative Sinking Fund Preference Shares of this Company has been declared and will be paid on the first day of October, 1927, to Shareholders of record at the close of business on September 16th, 1927.

The transfer books will be closed from September 17th to September 30, inclusive.

By order of the Board,
R. HAMILTON HALL,
Secretary.

Kennedy Castings

Kennedy's are noted for the manufacture of clean, sound castings at fair prices. Send us your patterns.

The Wm. KENNEDY & Sons Limited
OWEN SOUND, ONTARIO.

Canadian Locomotive Company Limited

DIVIDEND NO. 63

Notice is hereby given that quarterly dividend of one and three-quarters per cent. on the Preferred Stock was declared payable October 1, 1927, to shareholders of record September 20, 1927.

By Order or the Board.
G. W. DALY,
Secretary.
Kingston, Ont., September 9, 1927.

THE B. GREENING WIRE Company, Limited

Preference Dividends No. 17

NOTICE IS HEREBY GIVEN that a quarterly dividend of one and three-quarters per cent. on the Preferred Shares of the Company has been declared payable October 1, 1927, to shareholders of record September 15, 1927.

F. J. MAW,
Secretary.
Hamilton, Ont., September 13, 1927.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable October 1st, 1927, to Shareholders of record as at close of business September 15th, 1927.

(Signed) W. S. BARBER,
Secretary.

CANADA STEAMSHIP LINES LIMITED

Dividend Notice

Notice is hereby given that a dividend of one and one-half per cent. (1½%) on the six per cent. Cumulative Preference shares of the Company has been declared for the quarter ending September 30, 1927, payable on October 1, 1927, to shareholders of record at the close of business on September 15, 1927.

By order of the Board.
R. BROCK THOMSON,
Secretary.
Montreal, September 7, 1927.

THE SHERWIN - WILLIAMS COMPANY, OF CANADA, LIMITED

Notice is hereby given that the sixty-fifth quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum for quarter ending August 31st, 1927, on the Preferred Stock of the Company has been declared payable to shareholders of record the 15th day of September, 1927, and that cheques will be mailed September 30th, 1927.

Books not closed.
By order of the Board,
D. A. WHITTAKER,
Vice-Pres. and Sec'y-Treas.
Montreal, September 8th, 1927.

THE SHERWIN - WILLIAMS COMPANY, OF CANADA, LIMITED

Notice is hereby given that the twenty-eighth quarterly dividend of one and a half per cent. (1½%) for the quarter ending August 31st, 1927, on the Common Stock of the Company has been declared payable to shareholders of record the 15th day of September, 1927, and that cheques will be mailed September 30th, 1927.

Books not closed.
By order of the Board,
D. A. WHITTAKER,
Vice-Pres. and Sec'y-Treas.
Montreal, September 8th, 1927.

OTTAWA LIGHT HEAT & POWER COMPANY, LIMITED

DIVIDENDS

Notice is hereby given that the usual dividends have been declared for quarter ending September 30th, 1927, payable to Shareholders of record September 15th, as follows:

PREFERRED STOCK: 1⅝% (being at the rate of 6½% per annum), payable October 1st, 1927.

COMMON STOCK: 1½% (being at the rate of 6% per annum), payable September 30th, 1927.

The transfer books will not be closed.
By Order.
F. W. FEE, Secy.-Treas.
Ottawa, September 9th, 1927.

Sale of Debentures by Tenders

TOWNSHIP OF TRAFALGAR

Sealed tenders will be received by the undersigned up to One O'clock in the afternoon of Monday, Sept. 26th, 1927, for the purchase of $19,663.24 Debentures of the Township of Trafalgar, which bear interest at the rate of 5½ per cent. per annum, and mature in twenty years. Debentures are issued for the construction of pavements. The highest or any tender not necessarily accepted.

Full particulars on application to
S. H. ALBERTSON,
Per Dora E. Ryan,
Clerk, pro tem.

INTERNATIONAL PAPER COMPANY

New York, N.Y., August 31, 1927.

The Board of Directors have declared a regular quarterly dividend of one and three-quarters per cent. (1¾%) on the Cumulative 7% Preferred Stock of this Company, and a regular quarterly dividend of one and one-half per cent. (1½%) on the Cumulative 6% Preferred Stock of this Company, for the current quarter, payable October 15th, 1927, to holders of record at the close of business October 1st, 1927. Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD,
Vice-President and Treasurer.

Abitibi Power & Paper Company Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of 1¾% has been declared on the Preferred Stock of the Abitibi Power & Paper Company, Limited, payable the 1st day of October, 1927, to shareholders of record at the close of business the 20th day of September, 1927.

By order of the Board.
W. H. SMITH,
Secretary-Treasurer.

SOUTHERN CANADA POWER COMPANY LIMITED

Preferred Dividend No. 31

A DIVIDEND of one and one-half per cent (1½%) on the PREFERRED STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending September 30th, 1927, payable October 15th, 1927, to shareholders of record September 24th, 1927.

By order of the Board.
L. C. HASKELL,
Secretary
Montreal, August 26th, 1927.

The Shawinigan Water and Power Company

To: The holders of the Five Per Cent. (5%) Consolidated Mortgage Thirty Year Gold Bonds of the above named Company, due January 1, 1934, secured by Trust Deed dated June 14th, 1904, in favour of The Royal Trust Company, Trustee.

NOTICE is hereby given that in the exercise of the power reserved to it under the provisions of the said Trust Deed, the undersigned Company will, on the first day of January, 1928, redeem all of its Five Per Cent. (5%) Consolidated Mortgage Thirty Year Gold Bonds, which may be then outstanding, by payment of the principal thereof with a premium of ten per cent. (10%) thereon and accrued interest to the said first day of January, 1928, at the principal office of the Bank of Montreal, in Montreal, Canada, or London, England, or at the agency of the said Bank in the City of New York, U.S.A., at the option of the holder or bearer.

Holders of said Bonds are accordingly required to present their Bonds, together with all unmatured coupons attached, for redemption, on the aforesaid date, from and after which said Bonds will cease to bear interest.

Dated at Montreal, Canada, this 12th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY,
Jas. Wilson,
Secretary.

Capital wanted for further development in a vinegar manufacturing company. This is a first class business, with greatly increased production and new processes. Information given on interview.

Apply Box 90,
The Financial Post,
Toronto, Ont.

The
Toronto General Trusts Corporation

DIVIDEND NO. 125

NOTICE is hereby given that a dividend of three per cent. (3%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending September 30th, 1927, being at the rate of

TWELVE PER CENT. PER ANNUM

and that the same will be payable on and after Saturday, the first day of October, 1927. The Transfer Books of the Corporation will be closed from Friday, the 16th day of September, until Friday, the 30th day of September, both days inclusive.

By order of the Board of Directors.
W. G. WATSON,
General Manager.
Toronto, September 2nd, 1927.

The Bell Telephone Company of Canada

Notice of Dividend

A dividend of two per cent. (2%) has been declared payable on the 15th October, 1927, to shareholders of record at the close of business on the 23rd September, 1927.

W. H. BLACK,
Secretary-Treasurer.
Montreal, 24th August, 1927.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of two and one-half per cent., being at the rate of ten per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after

1st October, 1927,

to Shareholders of record on the books of the Company at the close of business on the 15th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.

DIVIDEND NOTICE

TRAYMORE LIMITED

Preference Dividend No. 2.

Notice is hereby given that a Dividend of one and three-quarter per cent. for the quarter ending the 30th day of September, 1927, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

The above dividend is payable on and after the first day of October, 1927, to Shareholders of record at the close of business on the fifteenth day of September, 1927.

By order of the Board.
E. J. SWIFT,
Secretary.
Toronto 2, September 8, 1927.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1927, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 1st day of October, 1927, to shareholders of record of the 20th September, 1927.

By order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 25th August, 1927.

University and Osgoode Hall graduate with three years' experience in estate, corporation and general business work is desirous of forming new connections, not necessarily legal, in a business where this training would be an asset.

Box 106,
The Financial Post, Toronto, Ont.

The Wabasso Cotton Company, Limited

Dividend No. 39 and Bonus

Notice is hereby given that a Dividend of One Dollar per share on the Capital Stock of the Company has been declared for the quarter ending 30th September, 1927, also a Bonus of Fifty Cents per share payable on the 3rd day of October, 1927, to Shareholders of record as at the close of business on the 15th September, 1927.

By Order of the Board,
JAS. R. RITCHIE,
Secretary-Treasurer.
Three Rivers, Que., August 25th, 1927.

WOULD YOU LIKE TO MOVE TO A NEW FIELD?

A limited number of good stock and bond salesmen will find a splendid chance to make good in Calgary, Alberta, by associating themselves with a live, responsible firm there on a salary, salary and commission, or commission basis. Address enquiries to Box 112, The Financial Post, Toronto 2. Enquiries held in strictest confidence.

Canadian Sales Manager or Agency

A $3,000,000 American company, marketing successfully in the United States a domestic oil burner, is prepared to discuss the Canadian agency with a well-organized Canadian sales organization in a position to develop the Canadian market for its product.

Will consider as an alternative discussing the proposition with experienced sales executive who would be prepared to become Canadian sales manager for the company.

In either case apply in the first instance to Box 110, The Financial Post, 143 University Ave., Toronto 2.

Executive Accountant and Auditor

of broad experience wanted for a position in Toronto with great possibilities. Must be an organizer, an efficiency expert and an investigator, able to conduct high-grade constructive audit, plan and supervise work of assistants and report upon facts in a clear and forceful manner. Chartered Accountant preferred. Give references and state fully general education, age, previous business connections, salary received in past.

Box 108, The Financial Post, Toronto

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Every day new questions are brought forward by the Canadian Press, which are of use to business men. News items such as—financial reports, markets, money by-laws, bond issues, debentures, etc.

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FEATURING ALBERTA

THE FINANCIAL POST

Special Section 17-22 PUBLICATION OFFICE: TORONTO, SEPTEMBER 16, 1927 Special Section 17-22

Snapshots of Alberta

Western Hotels

Peace River Gets Into Atlantic Monthly

Two Cities with Futures

Farmers Who Work

By J. G. JOHNSTON.

WESTERN towns are well equipped with hotels. The Palliser in Calgary and the MacDonald in Edmonton, to mention only two, are among the best in Canada.

Farmers and their wives use the Western hotels. You will see them around the Palliser in Calgary every day. You could watch the King Edward in Toronto or the Windsor in Montreal for a century before you would see farmers' wives as habitual guests.

Ask a Westerner why and he will tell you that the first reason is the Western farmer and his wife can afford to spend, and do spend, cash, and that they are all so independent that they would not think of visiting their town relatives and friends except for a dinner or tea. And then, probably, they reciprocate at the hotel as well as at the farm.

* * *

THE September Atlantic Monthly contains an advertisement for the Peace River country.

"Spring is here at last and the grass is green. Flowers are springing up and wild strawberries are in bloom . . . Summer seems to come as if by magic. There is hardly any spring."

This was written by Hilda Rose, on a homestead near Fort Vermilion, latitude 50 or thereabouts, on May 21, 1927.

Mrs. Rose is there with her husband, 72 years old, and her son, who is hardly big enough to handle a mansize axe. Her letters which are reproduced in the Atlantic are a tale of toil and hardship and suffering.

But she is happy there and believes in the country and its future. She is an educated woman, and evidently strong as well as courageous. The family entered the country with next to nothing.

There may be those who will see these letters as an ill-advertisement of the Peace River country. But she is at pains to tell of its beauty and the bounty of the short, but rapid, growing season. She talks fur as a means of getting rich. But there are records of unbelievable yields of wheat.

Such a discriminating audience as this writer has in the Atlantic clientele will not have failed to observe that anyone entering the Peace River country with a moderate capital likely would be comfortable from the start, if the picture presented by Mrs. Rose is authentic.

The picture has all the earmarks of authenticity. And it is confirmed by government reports and the observations of visitors to the country.

* * *

A MUD slide—which is different from a landslide, which is a rockslide—held up trains on both railroads in the mountains for three hours. Waiting at the C. N. R. Edmonton station, one discovered a great variety of trains being made up for their semi-weekly or tri-weekly trips.

One is impressed with the potentialities of Edmonton as a distributing center. One begins to understand why it has regained equality of population with Calgary, which is 200 miles southward.

* * *

ROGER W. BABSON, the statistical lecturer, spoke in Calgary recently. He said that he expected Calgary or Edmonton or Vancouver to become the great city of Western Canada.

All three will become great cities.

As the population increases there will be an increase in manufacturing activity in Alberta cities, particularly Calgary and Edmonton. They are natural centers and they are amazingly favored with natural resources. Witness:

Water power.
Coal.
Oil.
Natural gas.

On top of this is the already enormous wealth being created on the farm.

There are few centers in the world potentially so rich.

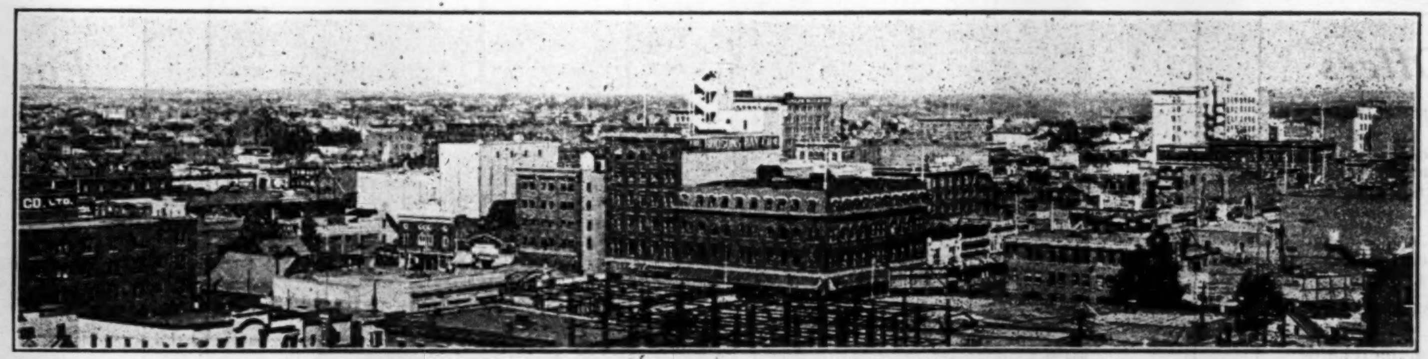
* * *

JERRY ANIUM, who has been homesteading eight years, in July sold his 1926 wheat crop for $37,000 cash. When Jerry came from Scandinavia eight years ago he could speak no English. But he knows how to work and how to farm.

There are wheat miners in Alberta who are getting along very well by working a few weeks in the spring, traveling in an automobile all summer, working a few weeks in the harvest and hibernating in the winter. But the farmers who are building fortunes in Alberta are those who work

(Continued on page 19)

Agriculture is Background of Alberta Wealth, Growth, Hopes, But Other Resources Abound



Early Crudeness of Alberta Cities Has Given Way to Metropolitan Aspect; the Panorama is the Capital of Alberta, Edmonton

Confidently Alberta looks forward to an era of sound prosperity, basing this belief on the progress that has been made in the 22 years that have elapsed since the province was created and more particularly on the progress that has been recorded since the world war.

Alberta's growth in less than a quarter of a century has been amazing; yet even to-day her total population, producing more than $300,000,000 in new wealth every year, is only 600,000 or about two persons for every square mile of her territory.

This sparse population has only scratched the rich resources of Alberta. Not more than ten per cent. of the arable land within the confines of Alberta is being cultivated, yet last year this province produced in agricultural wealth $264,000,000—and it was not a favorable year owing to bad harvesting weather which reduced grain grades and yields.

Alberta's 1927 Crop

What Alberta's crop value will be this year again depends on the late summer and early fall weather. If this proves favorable, the yield is expected to equal that of 1923, when approximately 150,000,000 bushels of wheat were threshed. The stand of grain in Alberta was never sturdier nor more uniform. The heads are heavy and well filled and if the grain ripens thoroughly, it would not be in the least surprising if the per acre production exceeded the world's record figure reached by this province in 1915, when the yield exceeded 30 bushels an acre.

Persistent Precipitation

Persistent precipitation since August last year has been responsible for the finest crop growth since the province was established but the ripening process has been slow because of the frequent showers and the crop is from two to three weeks later than ordinarily.

Northern and Southern Alberta are already assured of big yields, unless exceptionally bad weather conditions prevail but the western part of Central Alberta—that area which lies closest to the Rocky Mountains is very late.

Coarse grains and fodder crops have flourished similarly and livestock is plump and healthy and will be in tip-top shape for fall and winter finishing and marketing.

While hail has caused damage in certain localities, the loss from this cause will be small compared with the total value of the crop and there has been an agreeable freedom from loss from other causes such as frost, rust and insect pests.

More Self-Sustaining

The potato crop will also be large and it is worth noting that whereas not so long since Alberta was importing almost all the potatoes she required, now the province is shipping spuds in considerable quantities.

It is also worth noting that whereas Alberta only a few years since was importing eggs from China and butter from New Zealand, is to-day exporting both these products in profitable volume.

What has happened is this—fifteen or twenty years ago, this was a wheat mining country. The farmers were obsessed with the wheat mania. They gave practically their entire attention to this one commodity. Back of every farm house and ranch house was to be seen a huge pile of empty meat and vegetable tins.

Mixed Farming Practised

To-day the situation is vastly different. More and more is Alberta coming to resemble the older Eastern provinces. Mixed farming is the gospel that is being taught and practised. Farmers and their wives grow vegetables, grow mixed crops, raise poultry and have cream for their own use and for the market.

In a word, they are making their farms and themselves self-supporting to the last possible degree. Therefore the increasing totals of the province's agricultural production do not represent the entire production nor anything like it, for Alberta's farmers do themselves very well in respect of their table, their clothes and the other comforts of life.

The $264,000,000 agricultural wealth production of last year represents the farmers' marketed crops and his substantial buying power. Over and above that he enjoyed a good living and created useful assets.

One Great Industry

Albertans live in an atmosphere of agriculture. They recognize, whether city or urban dwellers, that from the farm comes the wealth of the province. True they recognize that Alberta has promising oil indications and may possibly become one of the prominent oil producing countries of the world; they also recognize that in this province there is to be found about 14 per cent. of the world's coal resources; but until the oil fields are actually proven and until there is a market for the coal, they are inclined to treat these potential assets academically. What they see is the wealth produced from the soil and the world demand for Alberta foodstuffs.

Foodstuffs Resources

And in the matter of producing foodstuffs in ever increasing quantities, Alberta is very fortunately situated. Her wheat fields are vast — something like 6,500,000 acres this year. Her wheat crop last year was 113,120,000 bushels. This year it may run anywhere from 115,000,000 to 200,000,000 bushels—estimates vary according to optimism over future weather conditions.

And remember that only a fifth of the tillable land in Alberta is under cultivation. Undoubtedly the day is not far distant when Alberta will produce at least three times her present wheat yield or at least will be in position to produce this increase if the world market demands it.

Vast Coal Beds

As for coal, with her 1,254,269 million tons—a quantity impossible of human comprehension—she can keep Canada warm for many a winter. Her present rate of production, around 6,200,000 tons a year, will not make any impression in her fuel resources for several centuries.

As for oil, Alberta has stepped in front of all the other provinces—as with coal—in respect of annual production.

Ideal Ranching Country

Then in the westerly strip of the province lies the finest ranching country in the world—an area that will always be devoted to this industry because of the late frosts in spring and the early frosts in fall and because of the natural fodder and shelter which combine to produce the finest type of horses and cattle to be found anywhere in the world.

Instance the late George Lane's feat of importing Percherons and a few years later taking the progeny, born and reared in Alberta back to the Royal show in England and sweeping the boards. That is to say, horses do better here than in the countries from

(Continued on page 19)

With Finding of Crude, Alberta Oil Fields Assuming Highly Important Place in Economic Life of Canada

By D. AUSTIN LANE, Editor Western Oil Examiner.

Conditions are ideal for operations on a large scale in the Alberta oil fields. There is plenty of scope for the big operator on at least 100,000 acres of leases which are now out of the wildcat class.

Of course, most of this is in the hands of Imperial Oil, but the company with the money to drill can always get acreage on terms that make the price of the leases a mere fraction of the cost of a well.

50,000 Acres Proved

Prof. J. A. Allan of the University of Alberta, estimated that there were 50,000 acres of proven land in the province before the Devenish strike. Since then, Home No. 1, Dalhousie No. 5 and Calmont No. 1 in Turner Valley have added to that total considerably, while the Devenish well has opened up the whole Skiff structure south of Lethbridge. Then, of course, Wainwright only awaits sufficient refinery facilities to be put on the map.

Canada is using more oil in a week than its wells produce in a year, so that it will require more than 50 times the present production to supply the domestic market.

Production Grows

We have the boom of the spring of 1926 largely to thank for the activity of the past eighteen months. Developments in that period have borne out the theories of Alberta oil pioneers who had enough of the gambling spirit and sufficient confidence to prove a section of the province's vast oil resources. Considerable acreage has been made safe enough for drilling propositions for large conservative companies that are willing to spend hundreds of thousands of dollars, or even millions, on development. Of course, the profits at this stage are not as great for the average investor as those reaped by shareholders in wildcat companies that have made good; but the oil industry needs the capital of investors as well as that of speculators to expand western production.

During the period under review oil in commercial quantities has been encountered in six wells that have been completed with the present daily production in each case:

Vulcan No. 1, with daily production of 100 barrels.

Illinois-Alberta No. 1, with daily production of 83 barrels.

New McDougall-Segur No. 1, with daily production of 62 barrels.

New McLeod No 2, with daily production of 50 barrels.

Home No. 1, with daily production of 100 barrels.

Dalhousie No. 5, with daily production of 250 barrels.

McLeod No. 3, with daily production of 50 barrels.

Production in earlier wells in Turner Valley include:

Royalite No. 4 daily production 560 barrels; Royalite, Nos. 1, 2, 3 (total) production 24 barrels; McLeod No. 1, daily production, 9 barrels.

This makes a total potential daily production from Turner Valley wells that have been completed of 1,288 barrels. Only partial recovery from Home No. 1 is being obtained as the contents of the wet gas that is mixed with 35-40 barrels of crude are being recovered. The output of the Dalhousie No. 5 is a conservative estimate. Counting 40 barrels per day from the Home, the actual daily output of Turner Valley wells now approximates 1,250 barrels, without taking into consideration oil from wells partially completed.

Deeper With Devenish

Oil in commercial quantities has been struck at least in those that are still drilling, that is, Spooner, Calmont, Regent, Vulcan No. 2, Dalhousie No. 6. At Vulcan No. 2 there is a potential production estimated at 70 barrels a day; a 50-barrel a day production has been cased off at the Regent well; and another 50 barrels a day has been cased off at the Spooner.

Calmont could produce 20 barrels and Dalhousie No. 6 about 30 barrels per day, and at the time of writing Okalta had also struck crude oil that was apparently in commercial quantities. At Home No. 2 there was 400 feet in the hole when it was opened up recently for deeper drilling.

The Devenish well produced 250 barrels per day in a bailing test, but, like the partially completed wells of Turner Valley, it is being drilled deeper.

If all the wells that are partially completed were put on steady production they would swell the present output of Southern Alberta producers to around 1,600 barrels per day. At present the output of Turner Valley is running around 4,000 barrels a month, which includes the fluctuating quantities from wells that produce a short time from levels that are cased off as drilling proceeds deeper.

At the time of writing, work was proceeding at twenty wells in Turner Valley; these are either drilling or handling casing.

Two Near Wainwright

In the Wainwright field two commercial producers, the Edmonton-Wainwright and Western Consolidated No. 2, were brought in last summer, while the Emerald, which was drilled to a depth of 2,400 feet, had very tight sands and is not a commercial producer as it stands. Three wells are nearing completion: the Interior was drilling at 1,900 feet last month, British-Wainwright was down 2,230 feet, National Exploration was at a depth of 2,370 feet after striking a gas flow of 14,000,000 cubic feet per day in July.

In the Alberta section of the Ribstone field, Ribstone Oils No. 1 well is nearing the estimated production level at 1,840 feet, while across the provincial border in Saskatchewan London Ribstone No. 1 is under way.

Unity Valley No. 1 at Vera, Saskatchewan, was the first well in that province to strike oil in commercial quantity, when it obtained an estimated potential production of 25 barrels which

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Alberta's Lure is Irresistible

ALBERTA exercises an irresistible lure to those who love the great open spaces. Witness His Royal Highness, the Prince of Wales, who operates a model ranch as a commercial success 65 miles south-west of Calgary, in proximity to the famous Bar-U ranch, founded by the late George Lane, or note the splendid farm, operated by Lord Rodney at Fort Saskatchewan, near Edmonton, or the Duke of Sutherland's fine property at Brooks. Throughout the entire province may be found here and there members of the nobility of all the great nations, content, more than content, to live in Alberta and to develop the soil's resources.

And from the United States comes a constant stream of settlers and capital. Only a few months ago, Frazier Hunt, famous magazine writer and assistant editor of the Cosmopolitan, threw up his New York post and located on the Eden Valley ranch near that of the heir to the British throne.

They find everything in Alberta that they desire—climate, scenery, congenial neighbors and fascinating soil riches.

ALBERTA RICHES GROW RAPIDLY; FUTURE BRIGHTER

Past is Record of Marvelous Strides for Early Settlers

ROOM FOR EXPANSION

Even Swifter Progress May be Expected as Areas Become More Thickly Populated

ALBERTA'S sturdy and consistent century has been one of the growth in the last quarter of a most encouraging factors in the development of the Dominion of Canada in that period.

In 1901, or four years before the province was created, the population was 73,022. To-day more than 600,000 persons live within Alberta's borders. In the same time the population of Calgary has increased from 4,392 to 75,000 and that of Edmonton from 4,176 to approximately the same total as Calgary's.

What is considered a most desirable condition is the preponderance of rural population, it being about 33 per cent. in excess of the urban. This ratio has been steadily maintained and one important result is the creating of new wealth.

Mainly of British Origin

English are in the majority in the make-up of the population. They constitute almost one-third of the total. Scotch come next, about half as many as English, and Irish number about one-third the number of English. These figures include Canadian and British born. Altogether the people of British extraction constitute considerably more than half the entire population. Of Dutch and German there are about 92,000; French, 31,000; Ukrainian, 25,000; Russian, 21,000; Austrian, 19,000; Polish, 7,000; Indians, 15,000; Asiatic, 4,400; other European origin than otherwise specified, 19,000. The French, of course, include those born in Canada and these form important settlements in various localities, with their numbers increasing rapidly.

Spurt in Immigration

Inside the last year there has been recorded a decided spurt in respect of population by immigration from the Old World and from the United States. The activities of the federal and provincial governments and of the railways and other organizations are producing substantial results in this connection.

At the same time there is coming to Alberta a large amount of new capital, which is mainly going into constructive development.

Alberta's Happy Position

Alberta is in the happy position where it can absorb tremendous increases in population and capital. The area of the province is 254,000 square miles and the population ratio is 2.3 to the square mile. The British Isles have an area of 121,000 square miles, a population of 47,307,000 and a ratio of 389 to the square mile. France has an area of 213,000 square miles and a ratio of 184 to the square mile.

Within the confines of Alberta are 161,872,000 acres of land and 1,510,400 acres of water. Of the land 85,772,000 acres have been surveyed. Yet of all this land only 6,700,000 acres were seeded to wheat this year.

The potentialities are apparent.

A Vast Province

Alberta, more than twice as large in area as the combined British Isles, is roughly about 750 miles north and south and 400 miles wide at its northern extremity and 180 miles wide at the international border. Northward stretch the North-West Territories 1,500 miles to the Arctic Circle.

And even from that northern hinterland, Alberta drains a wealth in furs.

63,000,000 Acres Arable

The total arable area is officially estimated at 63,000,000 acres and the tilled area at 11,200,000 acres. That is to say about one-fifth is under cultivation.

This year a wheat production of 200,000,000 bushels is not considered improbable. If it were found possible and expedient to cultivate the last possible acre in Alberta, an annual production of a billion bushels of this vital cereal crop might easily be feasible.

For this year, Hon. George Hoadley, minister of agriculture, declares that if favorable harvesting and threshing conditions prevail, the production of new wealth will reach $300,000,000.

Multiply this by five and the result will be $1,500,000,000 — a potential total were every last field production source utilized.

Optimistic and Confident

Albertans have a keen appreciation of the amazing resources yet to be developed in their province and from this knowledge springs that fine optimism and that sterling confidence for which they are so often twitted.

They recall that in 1905, when the province came into being, there were only 150,000 acres in wheat and the yield was 3,035,000 bushels. Yet in 1923 Alberta grew more than 145,000,000 bushels of wheat and last year under adverse conditions more than 112,000,000 bushels.

In 1905, Alberta's yield of all

(Continued on page 19)

ALBERTA

"The Land of Opportunity"

What Alberta Offers

While Alberta's greatest claim to world attention is undoubtedly due to her agricultural achievements, it is only because of the magnitude of these resources that her other great assets are not more widely known. These assets include:

More than 14 per cent. of the world's coal reserves, and 87 per cent. of the coal reserves of Canada.

More petroleum production than any other province of the Dominion.

More than 60,000 square miles of merchantable timber.

More than 15,000 square miles of bituminous sands, stated by geologists to comprise the largest potential oil field in the world.

More than 1,500,000 horse power of hydro-electric origin either developed or available.

Unlimited supplies of natural gas as a source of fuel.

A steadily growing population, that now stands at 620,000, that is uniformly prosperous and provides a steady and constantly growing market for most manufactured products.

Facts About Alberta

In no way can the facts about Alberta be more graphically put before the public than by the striking evidence of figures that demonstrate the magnitude of the Province's resources and the opportunities that these resources and activities present.

Area of the Province—255,000 square miles.
Land Capable of Cultivation—72,000,000 acres.
Acreage actually under cultivation—14,140,917 acres.

Population of the Province (1927)—620,000.

Of this number 60 per cent. is rural and approximately the same percentage is of British origin, which includes Canada and the United States. Less than 10 per cent. is of other than European origin.

Value of Agriculture and Livestock—$264,000,000.
Estimated number of farms—82,954, of an average size of 352 acres.
Area under Irrigation—1,000,000 acres.
Projected Irrigation schemes—3,000,000 acres.
Coal Reserves—1,035,629 million tons.
General Mineral Production (1924)—$22,749,662.
Miles of Railroad in the Province—5,000 miles.

A Sound and Developing Farm Program

The farm is, and probably always will be, the backbone of Alberta's prosperity. Providence has richly endowed the province in the productiveness of its soil, and this has made possible that splendid record of achievement that has marked the history of agriculture in the Province. Over a period of years a sound and steady average of production has been maintained. For the twenty-one year period up to and including 1926, the Province has shown an average yield per acre of wheat 17½ bushels, oats 34 bushels, barley 25 bushels, rye 14½ bushels, and flax 7½ bushels.

But, despite this favorable showing, the Province has very wisely adopted an even wider type of diversification of agricultural crop. Stock raising, which was Alberta's first agricultural interest, has been given a new impetus. In addition to horses and cattle, there is a widely developing industry in sheep and hog raising that has proven very profitable, so that where twenty years ago there were some 1,046,055 head of stock, the figures for 1926 show 3,462,900.

The dairy industry that in 1900 represented an annual income of something slightly more than half a million, in 1926 produced a revenue of upwards of twenty-one millions, with a growing reputation that is opening wide and eager markets. Poultry and sugar beet raising are other very important and growing agricultural interests.

The growing of seed grains has attracted the attention of the agricultural world to the Province that has, time and again, carried off the award for the finest seed wheat and oats grown in the world.

In some of the sections of the Province where drouth has been a detrimental factor, Provincial interests have undertaken extensive irrigation projects that now give water to a million acres. Farms in these irrigated areas are still to be secured, and these lands permit of a more extensive and more diversified farming. Improved and unimproved land in settled sections is available at reasonable cost, and the careful and energetic farmer is assured of a sound return. In outlying districts homestead land is still available.

The Government of Alberta

HON. J. E. BROWNLEE — Premier
HON. GEO. HOADLEY — Minister of Agriculture and Public Health
HON. J. F. LYMBURN — Attorney-General
HON. R. G. REID — Provincial Treasurer and Minister of Municipal Affairs
HON. O. L. McPHERSON — Minister of Public Works
HON. PERREN BAKER — Minister of Education
HON. V. W. SMITH — Minister of Railways and Telephones
HON. IRENE PARLBY — Minister without Portfolio

Coal, Petroleum and Natural Gas in Fabulous Quantities

The wealth of Alberta's natural resources is only now beginning to be realized. Alberta is not alone an agricultural province, for under its fruitful fields and in the vast hinterlands there exists an untold wealth in minerals and oil.

Undoubtedly one of the most important of Alberta's resources is her virtually limitless beds of coal that are estimated at the almost unbelievable figures of 1,059,000 million tons. There is already some $55,000,000 invested in this industry that in 1926 produced 6,117,000 tons, and could, with little additional expense, double that output. The Province now supplies Manitoba and Saskatchewan and is reaching out for larger markets which will undoubtedly come in the near future.

Natural gas is another bountiful resource. At the present time it is used almost exclusively in four cities and several towns. The chief fields are in the Medicine Hat section, in which city gas is extensively used for manufacturing purposes. Production now exceeds 9,000,000,000 cubic feet annually, a larger production than all the other provinces of the Dominion combined.

Alberta also exceeds all the other provinces in the production of petroleum. Two important fields have been developed up to the present. The Turner Valley field, where one well is producing 15,000 barrels monthly of almost pure naptha, is known as one of the richest oil wells in the world and has been producing on an increasing scale for several years. The other important field now producing is known as the Wainwright field. Here petroleum of a lower grade is being produced extensively. Undoubtedly these are only the beginnings of what will eventually be a vast industry.

Tar Sands, Timber and Other Resources

The province has an estimated area of 15,000 square miles of bituminous sands in Northern Alberta. These sands occur at intervals along the Athabasca River and its tributaries for a distance of some 220 miles. With the gradual depletion of the world's oil resources, these deposits are reckoned by geologists as of vast importance as a potential source of oil. At the present time the sands have been successfully used for paving purposes.

Though Alberta is not popularly known as a forest country, it has some 60,000 square miles of merchantable timber, the saw material being estimated at 16,000 million board feet and the pulpwood at 270,000,000 cords.

Extensive salt deposits have been developed at Fort McMurray on the Athabasca River, and already upwards of twenty-five tons a day are being shipped for commercial use.

Important clay products are found in the neighborhood of Medicine Hat, where important industries are built about them.

Alberta's resources in power that are estimated at 1,500,000 horse power, combined with cheap and readily obtainable coal and gas, is extending Alberta's development as a manufacturing centre. In 1905 the Province had 97 manufacturing plants with 1,983 employees. In 1921 this had risen to 2,024 firms with upwards of 10,000 employees, a capital investment of $55,500,000 and a gross production value of $66,000,000.

Alberta's Agricultural Growth

	1905	1926
Wheat ..	3,035,000 bu.	113,120,000 bu.
All Grains	34,091,000 bu.	181,157,900 bu.
Area in Crop ..	616,000 acres	13,581,386 acres
Value of Agricultural Products	$20,000,000	$263,913,260
Fodder Crops (1916) .	381,832 tons	5,639,475 tons

Hon. Geo. Hoadley,
Minister of Agriculture

Come and See For Yourself
Alberta offers Unusual Attractions for Tourist and Traveller

Alberta would be glad to have anyone who is interested in the country to come and see for themselves, confident that such a survey would leave only the most favorable impressions. The province has some of the most beautiful mountain scenery on the continent. The Canadian Rockies that form the western boundary of the province provide scenes of unparalleled beauty.

Within the confines of the province are three mountain parks that offer every inducement to the tourist, beautiful sights, comfortable and safe travel, and splendid accommodation.

The Watertown Lakes Park is in reality a continuation of the Glacier National Park of Montana. Rocky Mountain Park has Banff as its centre, with Jasper Park West of Edmonton.

Other points of interest and pleasure are the Wainwright Buffalo Park, and the beautiful lake districts about Lacombe and the other lake resorts east and west of Edmonton.

All these points of interest are readily reached by motor highways. The Government of the Province is making a comprehensive network of roads to link up with the existing motor highways. Among the latter might be noted the Blue Trail that runs from Yellowstone Park, through the Watertown Park, and thence, by way of Macleod to Calgary, where it leads, by way of Banff, over the beautiful Banff-Windermere Highway, which connects in British Columbia with the Pacific Coast Highways.

The Sunshine Trail leads from Grand Falls, Montana, to Lethbridge in Southern Alberta and thence north to Calgary and Edmonton. The Red Line, the Trans-Canada Highway enters the Province near Medicine Hat, and leads through the southern part of the Province to the Crow's Nest Pass. There are also many other splendid highways that open up virtually every section of the Province with its marvellous beauties that call to the stranger to Come and See.

Estimated Value of 1926 Crop

Wheat	$118,776,000
Oats	21,739,800
Other Grains	5,097,570
Root Crops	6,136,990
Fodder Crops	55,075,350
Dairy Products	21,820,000
Other Products	35,267,550
Total Production	$263,913,260

Colin G. Groff,
Publicity Commissioner

For More Detailed Information Apply Government Offices, Edmonton, Alta.

Agriculture is Background of Alberta Wealth, Growth, Hope, But Other Resources Abound

(Continued from page 17)

which they are imported. The same holds good of other farm animals and of poultry.

So, altogether Alberta is in the happy position where it can supply cereal and meat foods and dairy products to the rest of the world in increasing volume—products which will meet the keenest competition of the other food exporting countries.

Hence the source of some of the optimism for which this province and its people are so justly celebrated. The idea obtains in Alberta that Alberta is about the most lavishly endowed of any of the daughters of Confederation.

Progress, the Watchword

Unceasingly Alberta is experimenting with field products and with dairy and poultry products. Provincial and Dominion experimental forms, Canadian Pacific Railway experimental farms and private individuals are striving persistently to arrive at ways and means of developing Alberta's resources and the results that have been attained in less than twenty years have been tremendously valuable.

Eye on U. S. Market

Alberta has her keen eye on the United States as a coming and convenient customer as the republic was before the Fordney-McCumber tariff put the skids under the trade that was bringing so many useful dollars to this province. The prohibitive duty on wheat and cattle, imposed by the United States for the alleged protection of the farmers in that country, hit Alberta a resounding and painful blow, plumb in the centre of the wallet.

Ranchers were badly jarred, for the United States had been an easily accessible and profitable market. They had to develop a new market and they have done so—Great Britain.

The farmers suffered because world prices dropped and they had to send their grain across the Atlantic and pay the freight bill. They, too, have taken the Fordney-McCumber tariff out of their marketing calculations, although they sometimes wonder whether all the Canadian grain that goes into the United States in bond reaches its ultimate destination intact.

Aaron Sapiro's Prophecy

Time has tempered the resentment which followed the erection of the United States barrier and Aaron Sapiro, when he was here in 1923 galvanizing the farmers into organizing the wheat pool, predicted that the time would come when the United States would be glad to have Canadian foodstuffs. He declared that this desirable condition was a certainty as it was a matter of straight mathematics. He declared that the foodstuffs production of the States was not keeping pace with the population increase and that therefore inevitably, the day was approaching when the republic, instead of exporting would have to import foodstuffs.

"So organize your pool and be ready to handle this business to your economic advantage," was his slogan.

In any event, he started this germ or gem of thought on its way and it has general circulation in Alberta as a consequence.

World, Is Her Market

However, as indicated, Alberta is not dependent on the United States as a market. It has established an enviable reputation in Great Britain and other countries for the excellence of its foodstuffs and for square dealing and she finds comparatively little difficulty in disposing of her products. Her fine hard wheat is always in demand. Her butter meets the competition of Denmark and New Zealand. Her cattle and her meat products meet the competition of the Argentine and of the States. She stands squarely on her feet asking favors from none but content to base her trade expansion on the quality of the goods she has to offer to the world.

With Finding of Crude, Alberta Oil Fields Assume Importance in Economic Life of Canada

(Continued from page 17)

was cased off as drilling was continued deeper. It was in a hard formation at 2,283 feet when the last report was received.

Exchange is Criticized

Prices of oil stocks at the Calgary Stock Exchange have been very disappointing in the last year. After reaching a low level early last autumn, they have responded very feebly to conditions in the field. Important oil strikes have only had the effect of causing slight increases in stocks in the wells concerned. As soon as the stock goes up a few points there is apparently a flood of selling orders which soon depresses the prices.

A number of reasons have been assigned to the prevailing oil prices.

The establishment of the Calgary Stock Exchange has had an effect that has been disappointing to all who have the best interests of oil development at heart. The exchange has been very unpopular with the majority of oil investors. Charges that there has been manipulation by certain brokers are frequently heard in oil circles. At the annual meeting of the exchange the chairman cited an instance of Dalhousie stock being bid down 28 cents in one transaction. At any rate, stocks have gone far below their actual value since the exchange sales have been regulating prices.

The exchange has been criticized most bitterly for not keeping its hands off partially financed companies. For example, when Spooner Oils was selling stock at a dollar par, there was a number of sales of Spooner on the exchange at 80 and 85 cents, in spite of the fact that the prospects of the company are as good as those of any in the Valley.

Finding New Owners

An important factor in the depreciation of prices was the sale of hundreds of thousands of dollars' worth of promotion stock on the Calgary market. During the 1926 boom large quantities of stock which had been received by promoters were unloaded on the investing public. This, naturally, helped to deflate prices. All last year companies were organized by the score in Calgary; considerable sums of money are still out in organization expenses, and many of these companies did not get beyond the point of securing charters and publishing prospectuses. It costs from one to three thousand dollars to start the average company to a point where it can sell stock, even if it secured its leases for a block of shares. All of the money that has been invested is, therefore, tied up in stock sold by promoters and in organization expenses.

The discouraged investors have been selling heavily until some of the best stocks are at a point where they are worth several times their market value. These shares are being gradually absorbed by people who purchase them as an investment rather than a speculation and an upward trend of the better issues may be expected.

Refinery Operating

Marking the opening of another chapter in the oil history of Alberta, the plant of the Regal Oil and Refining Co., Ltd., began operations on August 13.

The refinery has an initial capacity of 750 barrels a day and is organized by some of the strongest independents in the field. It has the very latest fractionation system which enables it to be operated economically on a small scale. As far as possible, it will use the output of independent Turner Valley wells. The Regal is planning to build a pipe line from Turner Valley to Okotoks, from which point the oil will be shipped by rail to Calgary.

Mr. Spooner is president of the Regal and J. F. Duff, refiner of wide experience, is managing director. Frank K. Book, Detroit, capitalist, is one of the directors.

Calgary, the oil metropolis of Canada, recently enjoyed a reduction in retail gasoline prices when the Imperial announced a cut of two cents a gallon, the new price being 26 cents per gallon, plus three cents tax. While the Imperial states that the reduction is on account of the recent discovery of crude in Turner Valley, experienced oil men believe that the reduction is aimed at independent competitors who are invading the Calgary market, one or two of which have been cutting prices.

ALBERTA RICHES GROW RAPIDLY; FUTURE BRIGHTER

(Continued from page 17)

grains was 34,091,000 bushels. In 1925, the total was 193,127,000 bushels. The total crop area has increased from 616,000 acres in 1906 to 11,200,000 acres in 1927, probably more.

In the same period fodder crops have increased almost twenty times.

Alberta produced 813,000 pounds of butter in 1905; in 1925 the production was 19,500,000 pounds.

Always a cattle country, Alberta had 672,709 cattle in 1905 and 1,526,722 in 1925.

A New Industry

This province had no cheese production in 1905; in fact for the next ten years very little cheese was made. Yet last year she produced 1,350,000 pounds.

Potatoes, turnips, sugar beets, sunflowers, alfalfa—all crops developed since 1905, now aggregate almost $10,000,000 in value annually.

And Alberta is spreading into many new departments of agricultural production, all with an eye to developing the wealth that lies so readily at hand. The federal and provincial and the Canadian Pacific Railway's experimental farms are bringing about almost magical results in wealth creation—all for the benefit of the agrarian—and it may be stated that only a bare start has been made in developing new wealth in Alberta.

Alberta's new riches come mainly from wheat, oats, barley, rye, flax, mixed grains, peas, beans, potatoes, turnips, mangolds, sugar beets, green feed, hay and clover, alfalfa, fodder crops, sunflowers, butter, cheese, alfalfa seed, honey, wool, poultry, game and furs, live cattle exported, cattle slaughtered and horses exported.

Amazing New Wealth

For this production she received as the result of last year's operations, $264,000,000. This year, as stated, Hon. Mr. Hoadley regards $300,000,000 as a conservative total, given average weather conditions for the remainder of the harvesting season.

Yet in 1905, Alberta produced only $20,000,000 in new wealth. The growth in the meantime has been stupendous, even considering the war years which drained this province of its man strength.

In the light of the progress that has been made and in the light of the resources that have yet to be exploited, is it strange that Albertans should be surcharged with healthy optimism?

Two Foyer Portraits

THE lobby of the Palliser hotel is as busy as the lobby of the Mount Royal. There are tourists, but there are other folks as well.

Many are wearing those Calgary hats. You probably have seen the Prince of Wales pictured in one. This chronicler observed that a Ninth avenue emporium was offering them at $2.85 each. But you cannot put them in a suitcase.

The most impressive figure seen was a big man, evidently in the cattle business whose costume was one of those hats, a morning coat, riding breeks, leather leggings, and a riding crop. All needed brushing.

His face reflected too much good nature to cast him as the villain in a four-act melodrama. Give him the role of the heavy father.

* * *

A foyer stroller was a young cattleman who was followed about by his wife, apparently a squaw. He stepped; she stepped. He paused; she paused at a respectful distance to the rear. He stood immobile; she was even more so.

FARMS INCREASE DESPITE SLUMP OF COLONIZATION

Statistics Do Not Reflect Light Immigration During and After War

Further statistics of the census of the prairie provinces conducted last year, recently issued by the Dominion Bureau of Statistics, are of considerable interest as giving accurate information on the agricultural development of this great farming territory in a period when progress was largely hampered by a virtual cessation to immigration, which is only beginning to flow at a fair rate again, and a serious post-war depression in the farming industry. They further throw illuminating light upon certain phases of the industry which are much to the fore at the present time, remarks the agricultural and industrial bureau of the C.P.R.

Considering the halt brought to colonization for so long, farm growth in the period has been substantial. In the fifteen years between 1911 and 1926 the number of farms in the prairie provinces increased from 199,203 to 248,168, by 48,965, or 24.6 per cent. Farms in Manitoba increased from 43,631 to 53,251, or 22 per cent.; those in Saskatchewan from 95,013 to 117,787, or nearly 24 per cent.; and in Alberta from 60,559 to 77,130, or over 27 per cent.

Increase in Animal Population

The progress in animal population must be considered satisfactory. In the fifteen years horses in the area have increased from 1,194,995 to 2,208,578, by 1,013,583, or almost one hundred per cent. Cattle have increased from 1,808,935 to 2,921,630, by 1,112,695, or over 65 per cent. The number of sheep has grown from 285,130 to 750,474, or by nearly 165 per cent. Swine have increased from 712,222 to 1,602,489, or by 125 per cent. The increase in the number of horses has been most marked in the province of Saskatchewan, where the figure has doubled in the period. This province has also taken on more cattle. The increase in sheep population is marked all round.

Mechanical Power Not Ousting Horses

It is interesting to note the greater number of animals found per farm. While Manitoba had 6.38 horses per farm in 1926 as against 6.43 per farm in 1911, Saskatchewan in the period has increased her number from 5.34 to 9.34, and Alberta from 6.72 to 9.97. This would indicate that the tractor and other mechanical power is by no means ousting the horse in farm operation. In the period cattle per farm have increased in Manitoba from 9.98 to 11.43; in Saskatchewan from 6.67 to 9.79; and in Alberta from 12.21 to 15.04. Manitoba, which had .86 sheep per farm in 1911, had in 1926, 2.12; Saskatchewan increased its figure from 1.20 per farm to 1.37; and Alberta from 2.21 to 6.17. This latter is due to the addition of large range herds as well as the more general adoption of sheep on the small farm. In the fifteen years Manitoba increased its swine per farm from 4.32 to 5.71; Saskatchewan from 3.01 to 5.07; and Alberta from 3.92 to 9.09.

Alberta Snapshots

(Continued from page 17)

throughout the year, and who are diversifying their crops.

For these, the outlook is marvelously bright.

* * *

GRAIN men, connected with the pool and with independents, said that it was a waste of sympathy to commiserate with the farmer whose grain was destroyed by hail if that farmer had not hail insurance.

It was the hail season in Calgary and there was much talk of insurance. But, curiously enough, one asked ten or a dozen persons in the grain business what hail insurance costs and none knew exactly.

If a farmer is not going to get much of a crop in any event, he may be justied in begrudging the subtraction from the possible profit which is involved in insurance premiums. But when the crop outlook is first class, the cost of insurance is but a small fraction of the potential profit. Besides, the banks are only too glad to loan the premium against a good-looking stand of grain.

Hail insurance—it required persistent effort to learn this—costs about 8 per cent.

Farmers have been known to get a crop from land on which the insurance companies had paid a loss—such is the revivifying power of the Alberta sun.

* * *

J. H. HANNA, the secretary of the Calgary Board of Trade, remembers snowdrifts in Southwestern Ontario and is a defender of the Alberta climate.

"Sometimes we do not have any sleighing here," he said. "Often we have extremely mild winter weather, and in the daytime the temperature is usually considerably above zero. At night, however, the thermometer in all probability will drop twenty or thirty degrees below the daytime average. That is why Calgary has a reputation for cold which is undeserved unless one planned to spend all his nights out of doors."

Filling Every Need in Banking

FROM Fort McMurray on the northern fringe of civilization to Buenos Aires in South America, and from Victoria on the Pacific to Barcelona in Spain—wherever Canadian products are sold, the 900 branches of this Bank play an important part in serving the daily business life of the Dominion and the private financing of the individual and the household.

Your business may be benefitted by our knowledge of domestic and foreign conditions and markets, which we are able to obtain through our firmly established system of branches at home and abroad.

We shall always be glad to obtain any information or data you may require.

The Royal Bank of Canada

Resources Exceed 775 Million Dollars

NATURAL GAS

STRONGER TO-DAY THAN EVER BEFORE

THE gas business has not suffered from electric competition. On the contrary, both domestic and industrial consumption of gas is increasing — in late years at a rate almost equal to that of electricity.

In ten years, where natural gas is used, the consumption has increased from about 100 billion cubic feet to more than 1200 billion.

A wide field for gas has developed in industrial heating. It is subject to perfect control, saves space, is clean, and simplifies heating operations.

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CALGARY, - - ALBERTA

Calgary Grows Because of Existence on Lines of Travel, Commerce

Writer Says Foothills City Now Ranks Eighth in Population and Ninth in Manufacturing Activity in Canada

By J. H. HANNA,
Secretary, Calgary Board of Trade.

That there are always substantial reasons for growth and progress in any line of business is a fact that is generally accepted. It is equally true of the growth and progress of towns and cities, but it would appear at times as if that fact was not quite so well understood.

It is just as impossible for a small village or town to grow into a large city by mere chance, as it is for a comparatively unknown concern to grow into a nationally known business.

Geography Counts

The growth of Calgary from a small town of 4,000 people in 1901 to the eighth largest city of the Dominion with a population of approximately 70,000 people in 1927 is the result of a number of important factors.

First of all, the geographical location of Calgary, and the spirit of enterprise and co-operation of her citizens, so often remarked upon by visitors, have had much to do with the development which has taken place in the last 25 years. Its location makes it a natural distributing point, not only for Alberta, but for Western Saskatchewan and Eastern British Columbia. It is well provided with transportation facilities, being served by Canada's two transcontinental railways, the C.P.R. and C.N.R., so that all points are reached with regular services.

This is one of the principal reasons why this city has now so many large wholesale warehouses carrying up-to-date stocks of groceries, hardware, dry goods, agricultural machinery, electrical and plumbers supplies, drugs and chemicals, automobiles and accessories, etc. etc. Over 1,100 commercial travelers' certificates are issued at Calgary annually, which clearly indicates the position of this city as a wholesale and distributing centre.

Is Retail Centre

From its earliest days Calgary has always been the retail shopping centre for a large territory devoted to grain growing, dairying and stock raising. The settlement of the land in more recent years has materially increased the population within this area and the improved conditions of the roads together with the extensive use of the automobile has made it easy for people located many miles from the city to do their shopping here.

This, of course, means a lot of valuable trade for Calgary. It has been and still is an important factor in her development.

Alberta has over 5,000 miles of steam railway lines and Calgary has the largest terminal facilities of any point in the province. The combined mileage of the Canadian Pacific and Canadian National terminals in the city totals 145.16 miles of track. These railways employ 3,700 people and their annual pay rolls for Calgary employees amount to approximately $5,000,000. A large percentage of these people are married and have homes of their own in the city.

It will be evident from this that Calgary is already an important railway centre and as the resources of the province are developed and traffic increases, its importance in this respect will be much greater and help forward Calgary's progress.

Manufacturing Grows

As far back as 1883, before the first train reached Calgary, Mr. and Mrs. S. W. Shaw arrived in the city from England by prairie schooner from Swift Current, to establish a woollen mill here. Later when the C. P. R. trains got through to Calgary they brought in the necessary machinery for the mill and the wool, and manufacturing was started. Shortly after this the Eau Claire and Bow River Lumber Co. began operations, and with increasing volume have continued ever since. This was the beginning of Calgary's development and progress as a manufacturing centre. According to the Dominion bureau of statistics, she now stands ninth in a list of 44 principal manufacturing cities and towns of Canada.

The number of persons employed in 1924 totalled 3,319, in 141 establishments, and their salaries and wages amounted to $4,601,772. Capital invested was $34,389,487 and the value of the products $27,398,193. There are the latest figures published. During the last three years however, several new plants have been established and additions have been made to some of the older industries, so that these figures would be increased at the present time.

Tourists Like Calgary

In comparatively recent years the tourist traffic has become an industry and is being classified as such, because of its value to Canada. The Dominion government, the various provincial governments and many communities are realizing that a judicious expenditure of money in attractive and sane publicity matter telling the story of Canada's many attractions, is a splendid investment yielding cash dividends of large amounts every year.

In addition, it results in the resources of the Dominion becoming better known to Canadians themselves and to a vast number of people from the United States and other countries who would probably know little or nothing about them if they had not been induced to spend their vacation in some part of this country or make a trip through it.

Calgary is fortunate indeed from the standpoint of tourist traffic. It is the eastern gateway to Banff, Lake Louise and other famous resorts in the Canadian Rockies and all traffic from the East, North and South en route to these places, must pass through this city. It is only 83 miles from Banff to Calgary, and thousands of tourists who come to Banff, etc., every year from Western points, including Washington, Oregon, etc., continue their journey on to Calgary.

Circle Tours Attract

Auto tourists prefer, if at all possible, to make circle tours rather than make the return trip by the same route. The result is that the majority of tourists from the West who visit Lake Louise and Banff plan their trips so as to return home via Calgary and the Crow's Nest Pass through Lethbridge and MacLeod. Tourists from California, Oregon, Washington, etc., often take in Glacier and Yellowstone Parks, en route home. In this way Calgary and the Canadian Rockies resorts become better known and attract greater attention in Montana, Idaho, Utah, etc.

Several international highways have already been established between Calgary, Banff, and Lake Louise and various attractive cities and national parks in the United States. The "Blue Trail" or "Grand Circle Tour" for instance, links California, Oregon and Washington on the west and Nevada, Idaho and Montana on the east with Calgary and the Canadian Rockies; while the "Glacier to Gulf Motorway" connects Calgary, Banff, etc. with Tampico, Mexico running through Eastern Montana, Colorado, Oklahoma, Texas and Mexico.

The tourist traffic is already an asset of great value to Calgary and there is no question that in the five years to come it will be a still larger factor in its development and progress.

Many other factors that have contributed toward making Calgary one of the great cities of the Dominion might be outlined, including its fine climate and abundant sunshine; its ideal homes heated with natural gas and surrounded with beautiful flowers, lawns and trees; its splendid educational facilities with public and high schools, normal school and Institute of Technology and Arts; its fine churches; its proximity to mountains, rivers, lakes and forests where fishing and hunting delight the heart of the sportsman; its facilities for outdoor sports and recreations of all kinds, and the thrill of living in a steadily growing live community, within sight of the beautiful snow-capped peaks of the Canadian Rockies. But it would take too much space to tell the whole story.

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ALBERTA LEADS CANADA NOW IN GAS PRODUCTION

Calgary and Edmonton Are Among Cities Well Supplied With Fuel

Alberta contains several large natural gas fields, and besides those already proven districts, there is a vast untested area considered by geologists to be favourable for the accumulation of natural gas. During the recent activity in drilling for oil, particularly in the Turner Valley field, many large producing wells have been brought in, writes C. J. Yorath, president of the Calgary Company, in a recent issue of "Canada."

In the southern part of Alberta, the cities of Calgary and Lethbridge and the towns of MacLeod, Granum, Claresholm, Nanton, Okotoks, and Brooks are supplied with natural gas by the Canadian Western Natural Gas, Light, Heat and Power Company, Ltd. from its fields at Bow Island and Foremost, and in addition, the Company purchases gas produced in the Turner Valley from the Royalite Co.

This company was organized in 1911, and immediately thereafter it developed in the Bow Island field the wells which had an open flow capacity of 150,000,000 cubic feet per day. The length of the transmission line from Bow Island is 170 miles. The gas in this field began to peter out in the year 1918, and in consequence the company had to develop another field at Foremost and construct a further 30 miles of transmission lines, so that the field could be connected to the main transmission lines of the company. So far, seven wells have been drilled in this field, six of which are producers, and the total open flow of this field is 54,000,000 cubic feet.

In 1925, in order to make use of the gas at Turner Valley, after the gasoline had been extracted by the Royalite Company, the Canadian Western Natural Gas entered into a contract whereby it agreed to take all the gas from this field, thereby keeping in reserve for future use the gas in its other fields. At present, approximatly 18,000,000 cubic feet per day can be obtained from Turner Valley, which is more than sufficient to supply all the industries of the above cities during the summer months, but during the winter months the supply from this field has to be augmented from the other fields for the reason that the peak load varies from 25,000,000 to 34,000,000 cubic feet per day. At present, practically all the industries in Calgary are supplied with gas at an average rate of 17c. per M cubic feet and this price enables industries to use gas and save money compared with the cost of using any other fuel.

A new transmission line 30 miles in length and 10 inches in diameter was laid from Turner Valley to Calgary, which thereby provides a duplicate transmission line, and ensures a sufficient supply of gas at all times.

The total number of consumers served by the Canadian Western Natural Gas in the southern part of the province is 15,460.

The city of Edmonton and the towns of Viking, Bruce, Holden, Ryley, and Tofield, in the northern part of the province, are supplied with gas by North-Western Utilities, Limited, from its field at Viking, located approximately 80 miles east of Edmonton. Up to the present 12 wells have been drilled in the Viking field to an approximate depth of 2,100 feet and all have produced gas. The total open flow in this field at present is 56,552,000 cubic feet. The peak daily load of this company is approximately 15,000,000 cubic feet, so that an ample supply of gas is available. It is estimated that the area of the gas field, which has already been developed, is sufficient to supply these communities with gas for domestic purposes for at least 20 years, but there is no doubt that when the field is extended by further drilling of wells, a large area will be proven up and the quantity of gas available will be greatly increased.

The number of consumers served by the company has been increased from 1,880 at the beginning of 1924 to 7,350 at the present time.

It is now a recognized fact that Alberta with its present developed natural gas resources leads the Dominion. The province has reached this position in the last couple of years.

Attend Advertising Convention

Amongst the Canadian financial advertising men who attended the annual convention of the Financial Advertisers Association, a department of the International Advertisers Association, which opened in West Baden, Ind., on Sept. 12, are the following: B. E. Howard, supervisor, Imperial Bank of Canada, Toronto; G. L. Spry, advertising manager, Huron & Erie Mortgage Corporation, London; C. R. Trenholme, new business department, National Trust Company, and C. E. Bourne, advertising manager, Royal Bank of Canada, Montreal. Mr. Bourne is the Canadian director of the association.

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ALBERTA BEGINS BIG PROGRAM OF BUILDING ROADS

With Population Scattered Over Large Area, Problem is Severe

SCENERY ACCESSIBLE

Start Already Made on Highway Construction Brings Quick Return in Tourist Traffic

With her 600,000 population scattered over 255,000 square miles of territory, Alberta finds the roads problem one of increasing perplexity but the Farmer government, led by Hon. J. E. Brownlee, has launched an extensive programme of all-weather roads construction and in the last few years, definite and valuable progress has been made in this respect.

The first main objective has been the gravelling of the main highways, that is, the roads between the principal cities and the roads which link up with the main highways with Saskatchewan, to the east Montana, to the south and with the Dominion's National parks on the west.

This year the main highway gravelling between Edmonton and Calgary and between Calgary and Lethbridge will be completed and useful progress will be made with the main highway running east from Calgary to Medicine Hat and on to Saskatchewan. The hook-up with the Sunshine Trail, running from Alberta to Texas, is also coming nearer.

Sheer, Startling Beauty

For several years Alberta has been connected by an excellent gravelled road with the series of national parks which starts at Banff. This highway, running from Calgary to Banff, gives motorists access to mountain scenery, which for sheer and startling beauty, is not excelled elsewhere in the world. Banff, Lake Louise, the Yoho Valley, Emerald Lakes, Field, the Kicking Horse Pass, Golden, the glorious valley of the Windermere, Sinclair Canyon—names to conjure with—these and thousands of other wonderful views are placed within the scope of vision of every motor tourist and all over the finest of smooth highways.

Vitally Important Gap

Always this work of developing new roads within the national parks in the Rocky Mountains is being extended. Soon the remaining gap—Golden to Revelstoke—will be finished and then there will be an all-Canadian motor highway right through the mountain ranges from Calgary to Vancouver. At present the motorist, to stay in Canada, has to ship his car by boat or train to fill in the gaps but the Revelstoke-Golden link will give him a clear passage by road.

Big Traffic Expected

And what a tremendous volume of traffic will come when this road is completed. Alberta has noted with an approving eye the millions of dollars which tourists leave in Ontario, Quebec and British Columbia. She is not in the least envious. In fact she is quite complacent when she pictures the day when a motor tourist can slip through from Vancouver to the wheat fields of Alberta, enjoying marvellous scenery every yard of the way, breathing the tonic, bracing air of the Rocky Mountains and vowing with every turn of the road that never did he dream that such wonders of Nature were possible.

Alberta has a shrewd appreciation of the value of good roads and of tourist traffic and just so rapidly as her finances permit, she is extending the network of gravelled highways, which already give the province greatly improved transportation facilities over those which existed before the motor came.

Another good, strong reason for this activity in the matter of good roads construction is the fact that almost every farmer has an automobile.

72,000 Cars in Alberta

There are more than 72,000 cars in Alberta or one for about eight residents. There will be 75,000 by the end of this year. Incidentally there are more automobiles than telephones and Alberta has been priding herself for years in leading the world as a telephone user. There are 71,000 telephones in the province — almost the same ratio in respect of the population as the automobile.

Now with every farmer owning an auto and with business to be done through the use of his car, he wants all-weather roads. He was not so fussy when the horse was his means of transportation; he did not have to be. But now if the car is tied up by bad roads, even the radio does not soothe him. Hence it is not surprising to see the rural municipalities turning enthusiastic attention to the use of gravel. Formerly they were content to plow up the dirt in the centre of the road and let nature take her course. It is not so to-day. The government has a competent roads engineer, C. A. Davidson, who was associated with the building of the Banff highway, and his advice is always available to districts which desire to build the proper type of road.

This road building, in a province of Alberta's vast area, is a gigantic undertaking but as observed, admirable progress has already been made and the government is enlarging the sphere of its highway energy in a highly commendable manner.

The Dominion government's highway subsidy has been of inestimable value and has proved a stimulus that has advanced the general programme years ahead of what it otherwise would have been.

Alberta has observed what British Columbia has accomplished with regard to revenue augmentation, through its good roads programme and ultimately it will have a network of good roads, usable rain or shine, summer or winter, which will link up all sections of the province and which will also link up with the main highways of the adjoining provinces and with those of the state of Montana.

Fascinating Future

Already the fruits of the existing good roads are in evidence for motor tourist traffic figures in Alberta this year have reached new levels.

Eventually not only will Vancouver be linked up with Calgary and Edmonton and Lethbridge by good roads but a highway will be built from Edmonton to Jasper Park and from Jasper Park south to join the east and west highway near Revelstoke. When this is accomplished the motorists of all America will flock to the Canadian Rockies.

Regular Steamship Lines Operating from Vancouver

A growing proportion of Alberta products reaches world markets via the Pacific. The growth of the port of Vancouver is indicated by the number of vessels regularly calling.

Line—	Flag—	Ports of Discharge	Service
To Europe—			
Blue Star Line	Br.	U. K. and Continental ports	Occasional
Can. Govt. Mer. Marine	Br.	Liverpool, Avonmouth, Glasgow	Monthly
Can. Govt. Mer. Marine	Br.	London, Antwerp	Monthly
Cie. Gle. Transatlantique	Fr.	Bordeaux, Havre, Antwerp (U. K. if inducement)	Fortnightly
East Asiatic Line	Dan.	Hull, Hamburg, Scandinavian ports	Monthly
Ellerman-Bucknall	Br.	U. K. and Continental ports	Occasional
Furness Line	Br.	London, Liverpool, Manchester, Glasgow	Fortnightly
Harrison Direct Line	Br.	London, Liverpool	Fortnightly
R. Mail St. Packet Co.	Br.	Glasgow, Hamburg, Rotterdam, Antwerp	Fortnightly
Holland Amer. Line; joint ser.	Du.	Liverpool, Southampton, London, Rotterdam	Every 3 w.
Isthmian Line	Br.	London, Avonmouth, Liverpool, Glasgow	Monthly
Johnson Line	Sw.	Scandinavian ports and U. K.	Monthly
Navigazione Libera Triestina	Ital.	Barcelona, Marseilles, Genoa, Naples, Leghorn, Trieste	Monthly
Norway Pacific Line	Nor.	Scandinavian ports (U. K. if inducement)	Monthly
United American Line	Ger.	London, Antwerp, Hamburg, Bremen	Fortnighly
To Orient—			
Amer. Oriental Line	U.S.	Japan and China ports and Philippines	Monthly
Blue Funnel Line	Br.	Yokohama, Kobe, Hong Kong	Every 3 weeks
Can. American	Chartered	Yokohama, Kobe, Osaka	Monthly
Can. Pac. Steamships Ltd.	Br.	Yokohama, Kobe, Nagasaki, Shanghai, Hong Kong, Manila	Three-Weekly
Mitsui	Jap.	Japan ports	Occasional
Nippon Yusen Kaisha	Jap.	Yokohama, Kobe, Dairen, Shanghai, Hong Kong	Fortnightly
Osaka Shosen Kaisha	Jap.	Yokohama, Kobe, Dairen, Shanghai (Nagasaki, Dairen, Taku, if inducement)	Fortnightly
Yamashita Kisen Kaisha	Jap.	Japan ports	Frequent
Ocean Transport Co.	Jap.	Yokohama, Kobe, Osaka	Occasional
To Australia, New Zealand, Hawaii, Fiji—			
Can.-Austra. Royal M. Line	Br.	(1) Honolulu, Suva, Auckland, Sydney (2) Principal ports Australia and N. Z.	Monthly Monthly
Amer.-Aust.-Orient Line	U.S.	Principal ports Australia and N. Z.	Fortnightly
Transatlantic St. Co., Ltd.	Sw.	Brisbane, Sydney, Newcastle, Melbourne, Adelaide	Monthly
To Atlantic Coast U. S. and Canada			
Argonaut Line	U.S.	U. S. Atlantic ports	Monthly
Can. Govt. Mer. Marine	Br.	Canadian Atlantic ports	Monthly
Dollar Line	U.S.	U. S. Atlantic ports	Monthly
Isthmian Line	Br.	U. S. Atlantic ports	Monthly
McCormick Steamship Co.	U.S.	U. S. Atlantic and Gulf ports	Occasional
Gulf-Pacific Line	U.S.	U. S. Gulf ports	Monthly
To Central and South America and West Indies—			
Vancouver W. Ind. Ser.	Chartered	Port of Spain (Trinidad) other W. I. ports if inducement	Monthly
Cie Gle. Transatlantique	Fr.	Martinique, Nicaragua, Salvador, Guatemala	Fortnightly
Svea Steamship Co.	Sw.	Cuban ports	Monthly
Pac.-Argen.-Brazil Line	U.S.	West Coast South America	Monthly
Grace Line	U.S.	Brazil, Uruguay, Argentine ports via Panama	Monthly
Gulf-Pacific Line	U.S.	Call at Central American Gulf ports if inducement	Occasional
Pan Pacific Line	U.S.	West Coast South America	Occasional
Westfal-Larsen Co. Line	Nor.	East Coast S. America, via Magellan	Monthly
Pac. Caribbean-W. Ind. Line	U.S.	West Coast South America	Three-Weekly
Winge & Co.	Nor.	Caribbean and W. I. ports	Occasional
To California—			
Admiral Line	U.S.	San Francisco, San Pedro, San Diego	Weekly
Can. Govt. Mer. Marine	Br.	San Francisco, San Pedro, San Diego	Weekly
Kingsley	Br.	San Francisco	Weekly

When Wool of Bison Was Made Into Clothing

EDMONTON.—The exhibits of Canadian woolens and cloths at the five summer fairs in Alberta, Saskatchewan, and Manitoba, served the purpose, as intended, of stirring new interest throughout the West in the progress of Eastern manufacturing. Of late years increased attention has been given, in Alberta particularly, to sheep-raising, and from this province goes now a good deal of the raw material that figures in Canada's annual output of woolen goods. But it was news to the wool producers themselves that the Canadian industry of making woolen fabrics had developed so much and so well.

If West and East together, as producing and manufacturing factors respectively, can give results so good that Canadian cloths are almost indistinguishable from imported cloths of the same grade, there would seem to be no good reason why West and East might not each have a woolen milling industry, and the day will not be far distant, some Westerners are inclined to think, when cloth from home-grown wool will be made this side of the Great Lakes.

All of which serves as a reminder that there really was a Western wool weaving industry a long time ago, the story of which makes an interesting chapter in the industrial history of the prairie provinces.

Plenty of Buffalo

It was back in 1822, when some financial wizards in the Red River Colony conceived the bright idea of making cloth out of buffalo wool. There was abundance of raw material, they said, and all that would be necessary would be to go out on the prairie, kill the buffalo, which then roamed the West in great numbers, and pick off the wool. At that early stage of the country's history it was thought that sheep could not be raised in what is now Manitoba or indeed anywhere else in the West, because of wolves, but the native buffalo, a sort of half-sheep and quarter-cow, with a thick covering of wooly fur, seemed to be a very good substitute. It would be good business to make use of it accordingly.

A joint stock company was organized under the name of the Buffalo Wool Co. with 100 shares of £20 each. Its announced objects were to collect buffalo wool on the plains and manufacture it into cloth for the use of the colonists and for export, while a tannery for turning the buffalo hides into leather for boots and harness was to be another bowstring to the enterprise.

Factory is Equipped

Operations began in great confidence and with considerable dash. A factory was built within easy reach of all parts of the settlement; a full equipment of machinery implements, and dyes was ordered from England; and workers were engaged with promise of steady employment at big wages. Except for the fur trade, this was the first industry to get under way in the Canadian West, and except for the little hand-power grinding mills with which the Red River colonists made their own flour, it was the first attempt at manufacturing west of the Great Lakes.

It is doubtful if any industrial enterprise in Canada ever was launched with such great expectations as this Red River buffalo wool scheme. Not only its promoters, but the whole population, believed that it was going to be a money-maker, and preparations were made accordingly. Time and place considered, the plant was an elaborate one, and the provisions for securing a supply of the raw material were in keeping. Wool was to be picked up everywhere and everybody was to have some of the pickings, for besides the wool-gatherers there was to be a large force of factory hands under the direction of experts from the Old Country.

Wages Are High

Things did not, however, turn out quite as expected. The wool business proved to be somewhat less easy and quick-of-profit than it had appeared to be in prospect; for while there was an abundant supply of the buffalo it was soon found that there was a lot of work in gathering the wool, which, instead of being picked up, had to be pulled from the hides at a wage of from six to ten shillings a day. Female labor was employed for spinning, for which one shilling a pound was paid. Many of the factory hands earned big money, but at that pioneer stage of Western industrial life there was a lack of morale to support the sudden prosperity, and the result was that presently the buffalo wool plant developed into a place of drunkenness.

Nevertheless, some cloth was actually made, and the feasibility of the scheme was demonstrated to the extent that the company proved that buffalo wool could be turned into wearing apparel and buffalo hides into harness. But the cost was prohibitive. Cloth could be bought in England for one-tenth of what it cost to manufacture in Red River, and even after paying the high charges of transportation across the Atlantic the English sheep-wool cloth was so much cheaper than the domestic buffalo-wool cloth that competition with it was impossible.

The ill-fated enterprise dragged on until 1825, with some show of activity, but much of the wool bought up from the settlers spoiled, and hundreds of hides rotted. The company's original capital of £2,000 disappeared completely, and when the end came it was in debt besides to the tune of £500. After a few years the creditors, who were the Hudson's Bay Co., cancelled the debt, and the Buffalo Wool Co. became only a hectic memory.

If now, a full century later, a new cloth-making industry should take shape in any part of the Canadian West, it would be in terms of sheep, not buffalo, wool.

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ALBERTA APPEALS AS PARADISE FOR HUNTERS, ANGLERS

Game, Feathered and Otherwise, Attracts Sportsmen From Whole World

Alberta is especially fortunate in its game and fish resources. Big game is plentiful. Moose, deer and bears overflow from the national park preserves and an abundant and perpetual supply is assured.

Mountain sheep and mountain goats are also numerous and any hunter, with ordinary good fortune, can secure his limit.

And the areas in which big game may be found are tremendous and practically inexhaustible for the animals in these mountain stretches will not be driven back by encroaching civilization. The supply is assured.

Feathered Game, Too

As for feathered game, Alberta is a paradise. Duck, wild geese and other species of migratory wild waterfowl abound. And then the mallard, which now makes it his habit to feed in the grain fields before finally flying south, there is no more toothsome table delicacy.

As for the Hungarian partridge, first imported in 1907 in the immediate Calgary district, it is estimated that there are literally millions in Alberta to-day. They have flourished and have remained healthy and vigorous. They have spread from the foothills away east into Saskatchewan, north beyond Edmonton and south into Montana. They will always provide the most attractive shooting for they thrive in settled areas and are quite competent to look after themselves. Incidentally they are not easy to shoot although they are invariably flocked up in the fall. They make beautiful work for setters and pointers and one has to go no further than city or town limits to locate them.

This year grouse (prairie chicken), and partridge are protected so their numbers may increase.

Game Fish Plentiful

In respect of game fish, Alberta has ideal resources. Her fast running mountain streams are the perfect haunt for trout and grayling. For pure sport for the angler, Alberta is destined to become one of the world's most luring spots.

Besides the native cutthroat trout, so-called from the ruddy marking, resembling a slash, around his throat, Alberta's streams now contain the rainbow, the steelhead and the Loch Leven, among other trout. Research is being made as to suitable new varieties, both fall and spring spawning, and these are being secured and placed where they will do the most good.

The Dominion government is establishing two new hatcheries, one in the Waterton Lakes district for sport-fish, and one in the north, mainly for commercial fish, such as white fish.

These, with the Banff hatchery, will look after the needs adequately.

And, developed in the fast waters of Alberta's mountain streams, these trout have no superiors for game fighting and as a gustatory treat.

SEES ALBERTA AS SUGAR BOWL OF WESTERN CANADA

An interesting and informative address on a new industry of great importance to the Province of Alberta was delivered by T. George Wood, district manager of the Canadian Sugar Factories, Limited, Raymond, at a meeting of the Calgary Board of Trade, says Industrial Canada.

In the course of his address, Mr. Wood mentioned there was a population of approximately 2,000,000 people in the three prairie provinces with a sugar consumption of about 100 pounds per capita. If sugar was produced for that population, he said, it would mean the utilization of about 100,000 acres of irrigated land, which would employ the energies of 8,000 to 10,000 farmers and would provide farm labor for approximately 6,000 to 8,000 men. They had already absorbed in their one small factory about 500 European laborers as hand workers on the crop. He claimed that the sugar beet industry had greater power in the absorption of labor than anything else in an agricultural way in Alberta.

"The reason that Alberta is particularly fitted for sugar beet growing is due to its irrigated area," he said. "The beets require about 20 inches of water during the growing season, and there is no other place in Western Canada where the water can be supplied; it cannot be supplied through natural rainfall."

Mr. Wood said there were 89 sugar factories in the United States, the majority of them being in irrigated districts, but in Canada there were only three—two in Ontario and the one that had been started in Raymond, so that there was room for at least eight or ten more factories with a capacity of 1,000 tons of beets a day in Alberta, he said.

"After all, the factory does not make the sugar," he continued. "It is made in the fields by sunshine and water that the beet gathers together. All that the factory does is to extract it, to crystalize it, and to put it in a form that can be stored and kept indefinitely and made into an article of food consumption."

The speaker said that there was no other irrigated crop which could be produced in quantity and find a market that would equal the acreage returns of sugar beets.

"The Canadian Sugar Factories," he said, "guarantee a return of $7 a ton for beets this coming year, which is a higher guarantee than last year. At the $7 guarantee on a twelve-ton to the acre crop, there will be a gross return of $84 an acre for the beets. In addition to that the farmer will have the returns from the pulp, and the best tops on a twelve-ton to an acre crop are equal to one cutting of alfalfa hay in feed value. The farmer will also have the betalasses, or syrup remaining after the sugar has been extracted, which makes a wonderful stock feed.

"The wet beet pulp in districts close to the factory is also utilized most satisfactorily by farmers for dairy cows, steers, and sheep," he said.

Mr. Wood said that the outlook was extremely encouraging, 8,000 acres would probably be planted this year. The development had been eminently satisfactory and the production of sugar last year showed a splendid increase compared with the previous year. Last year they made 97,000 100-pound sacks of sugar.

Manufacturing revenue in Alberta in 1926 was $68,000,000, compared with $59,000,000 in 1925. There are 739 plants, with a capital of $67,000,000, employing 8,150 persons and paying them $11,000,000 annually.

Alberta—Land of Sunshine

I STAND on the brink of the prairie
And the foot-hills roll at my feet;
I'm proud of my towering mountain crags,
My flowering wolds and my wheat.

I've made a truce with Apollo;
I've borrowed his golden bow;
The lordly might of his shafts of light
Are warm in the grain I grow.

I hide in my breast my riches, —
My coal and naphtha and mould,
And power I store in a freshet's roar
To pay me a million fold.

I guard my gold in my rivers
And placer it in my coulees;
I hold in my hand a voluptuous land;
I wear my dower of trees.

This is the gift I offer, —
This to the strong and the bold:
I'm open to all who follow the call, —
Alberta — the new and the old.

—From A Vale in Luxor, by W. V. Newson in Ryerson Press Chap Book, published in 1926.

Alberta's Government Made Up of Men Who Seek Best Solutions

Although Alberta's government is not orthodox in its political alignment, the impression that the visitor gets of the capitol at Edmonton and in the province generally, is that public affairs are well looked after.

It is a government of younger ministers. It is essentially a democratic government. It is courtesy to ask for appointments, but it is not essential. A telephone is likely to be answered by the minister himself if his secretary happens to be out. In any event, the secretary passes on the call without the irritating demand for information as to who, when and why.

Apparently Mr. Brownlee and his cabinet are endeavoring to run the government efficiently, eliminating unnecessary fuss as well as expense. Alberta owns two railroads for the same reason that the Dominion owns the C. N .R.—the taxpayers in any event must pay deficits. But there are hopes that the two lines stretching northerly and westerly eventually show profits. Train service has been reduced to twice or thrice a week. The opening of the Peace River country, and a settlement of the troublesome natural resources question may go a long way toward solving these local problems.

Alberta has progressed far by reason of inherent richness of her soil, determination and steadfastness of her people and good quality, on the average through the years, of her government. Alberta farm homes now are getting radios and tiled bathrooms. Rural schools, while not pretentious, offer as fine a brand of elemetary education as can be obtained anywhere. Farmers are growing more diversified crops. Tourists are finding the wonder spots of the mountains and foothills. Roads are being built for the domestic and visiting automobile.

All this, virtually, has been accomplished in the present century.

It is a far cry from the times when —the story is well authenticated— one gently-reared Ontario school teacher boarded in a one-room prairie home, where the only privacy was obtained by the unanimous extinction of lights.

SAVINGS BRANCH IS OPERATED AT FRACTIONAL COST

Alberta Does Not Take on Frills When Adding to Government Activity

A mark for efficiency experts to shoot at is furnished by a government bureau.

The treasury of Alberta operates a government savings branch at a cost of fifteen hundredths of 1 per cent. of the net amount deposited. Alberta started its savings plan in 1917 as an experiment under the direct charge of W. V. Newson, deputy treasurer. Two or three clerks continue to run the savings branch under Mr. Newson's direction, although, as will be seen by the subjoined figures, the institution has grown. Other governments have set up elaborate and distinct bureaus to handle such efforts as this, with the result that costs are higher than they should be.

The figures are:

	Yearly Totals		
	Deposits	Withdrawals	Net
1917*	$ 403,638	$ 27,337	$ 376,301
1918	1,162,614	518,820	643,794
1919	2,012,733	1,424,668	588,064
1920	2,823,150	1,656,410	1,166,740
1921	4,370,306	3,458,654	911,652
1922	3,708,523	3,044,253	664,269
1923	2,555,170	2,274,279	280,891
1924	6,307,135	5,412,543	894,592
1925	6,107,455	3,957,939	2,149,515
1926	10,453,853	8,020,627	2,433,225
1927 (6 mths.)	5,628,581	3,168,009	2,460,572
Gr. totals	45,533,163	32,963,543	12,569,619

*8 months.

Alberta Facts

Private passenger automobiles are growing rapidly in number in Alberta.

Individuals in Alberta in 1925 paid $730,000 in income taxes, $85,000 of which was paid by fifteen persons who reported income of $30,000 or more. Alberta corporations paid $455,000 in taxes.

Anyone interested in the Peace River country can obtain a brochure on the subject from the Natural Resources Intelligence Service, Department of the Interior, Ottawa.

There are nearly 50,000 farms in Alberta of more than 200 acres each.

Alberta's agricultural revenue in 1926 was $254,739,000, compared with $245,650,000 in 1925.

Alberta in 1925 and 1926 had the greatest agricultural revenue in her history. This year is likely to show another record.

Fruits and vegetables and poultry and eggs show steady increases in Alberta, proving that it no longer is a land merely of wheat and cattle.

Alberta's revenue from furs amounts to more than $2,000,000 annually.

In Alberta, with 700,000 population, there are 53,768 homes of five and ten rooms, compared with 78,937 homes of less than five rooms.

Alpine Diversion is Found in Profusion in "Prairie" Province

The world thinks of Alberta as a region of vast plains and as a wheat-growing region. To a lesser extent it knows that the cattle business is an important adjunct to prosperity. Tourists see something of cowboys at the Calgary stampede.

But who knows Alberta as a mountainous province, a province of Alpine diversions? Who knows this even of those who have other than a map knowledge of Banff and Lake Louise and Jasper and Waterton Lake?

These resorts are known to be in the Rocky Mountains. Most persons think of the Canadian Rocky Mountains as being in British Columbia. Lake Louise as well as Banff is in Alberta. The same is true of Jasper park, which the C. N. R. is helping to develop, and of Waterton Lake, where the Great Northern has recently completed a remarkable chateau for the entertainment of the tourist.

"The Canadian manufacturer of vision who expects to supply his product to Alberta farmers in the years to come will give serious consideration to the establishment of branch factories in Alberta . . . thus playing a great part in the upbuilding of this country by helping to provide a home market for those farmers who are in turn the purchasers of his product."

—A. A. McGILLIVRAY, K.C., M.L.A.
at the Calgary C.M.A. Convention

MANY manufacturers who visited the West and particularly Calgary, for the first time, to attend the convention of the Canadian Manufacturers' Association recently, were in a mood to accept this suggestion of Mr. McGillivray's because their impressions of Calgary as a great trading centre were fresh and vivid.

Those who did not attend, however, may obtain an adequate idea of the opportunities — either for long-distance or close-up merchandising — in the territory, by perusing the Calgary Herald's 1927 Year Book, sent free postpaid upon request.

Whether you build a factory in Alberta or not there is a big market for Eastern goods among the rural and urban dwellers of Alberta, whose wealth per capita ranks second highest among the provinces of the Dominion.

The Calgary Daily Herald
CALGARY Member Audit Bureau of Circulations **CANADA**

TORONTO OFFICE
Royal Bank Building
E. J Guy,
Manager.

MONTREAL OFFICE
232 St. James Street
C. A. Abraham,
Manager.

VANCOUVER OFFICE
528 Winch Building
F. E. Payson,
Manager.

U. S OFFICES, Henry De Clerque, Inc.
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12 East 41st Street,
New York
55 New Montgomery Street,
San Francisco, California.
108 West 2nd Street,
Los Angeles, California
304 Leary Building
Seattle, Wash

OR ANY RECOGNIZED ADVERTISING AGENCY

HOME ASSURANCE COMPANY
OF CANADA
Head Office: Lineham Block, Calgary, Alta.
Licensed in Alberta and British Columbia.

Officers:

Samuel C. Brown, President	Calgary, Alta.
Frederick A. Ogilvie, Vice-President and Gen. Mgr.	Calgary, Alta.
Clarence H. St. John, Secretary-Treasurer	Calgary, Alta.
W. D. Dixon, Medical Director	Calgary, Alta.

Directors:
George Fisher, Evan Roberts, A. Corrie, J. G. Norstrant, Geo. R. Elthrington.

Licensed to transact Sickness and Accident and Automobile Insurance.

Amount deposited with the Government of Alberta (For Reciprocal Deposit purposes)	$50,000.00
Authorized Capital	$500,000.00
Amount Subscribed	500,000.00
Amount Paid	59,029.50

Statement of the Company as at December 31, 1926

ASSETS		
Cash value stocks, bonds, debentures		$ 61,271.83
Cash value of mortgages		3,900.00
Cash on hand and in Bank		3,617.35
Capital Stock in course of collection		3,470.50
Agents' balances and premiums uncollected (commissions deducted)		1,978.52
Interest due or accrued and unpaid		1,256.78
Office furniture		1,820.90
Amount of all other assets		3,618.00
		$ 80,933.88
LIABILITIES		
Re-insurance reserve for insurance contracts in force		$ 7,641.51
Amount of claims or losses in suspense		$ 705.21
Total amount of Liabilities		$ 8,346.72
Capital Stock paid up (including calls outstanding)		62,500.00
		$ 70,846.72
Excess of Assets over Liabilities		$ 10,087.16
RECEIPTS		
Net premiums		$ 45,502.25
Interest		2,592.34
Capital Stock		7,975.00
Other Sources		9,449.50
		$ 65,519.09
PAYMENTS		
Expenses of Management—		
Salaries, directors and auditors' fees		$ 8,552.50
Agents' commission, salaries and bonus		13,397.88
Law costs		75.00
Travelling expenses		705.50
Rent and taxes		980.00
Printing, stationery and advertising		1,311.93
Postage, telegrams and express		743.01
Other expenses		8,825.66
		$ 34,589.48
Miscellaneous Payments—		
Losses occurring in 1926		$ 11,945.68
Debentures, mortgages, and other securities (not extended)	$23,448.01	
		$ 46,535.16

P. Burns & Co. Limited
Head Office:
CALGARY

Thoroughly Modern Packing Plants located at:

CALGARY, *Alta.*
EDMONTON, *Alta.*
VANCOUVER, *B.C.*
PRINCE ALBERT, *Sask.*
REGINA, *Sask.*
WINNIPEG, *Man.*

Foreign Agents:

LONDON *England*
LIVERPOOL *England*
YOKOHAMA *Japan*

Complete Meat Packing Service For all Domestic and Foreign Requirements

Management is Major Factor in Industry

So General Motors Has Found, and It Has Taken Its Entire Organization, Including the Humblest Employees, Into Great Family Partnership

By JOHN J. RASKOB,
Chairman, Finance Committee, General Motors Corporation.

Editor's Note.—Andrew Carnegie was the Napoleon of his time as an iron master and an industrial executive.

Born a Scotchman, and tutored in the pages of Adam Smith's "Wealth of Nations," he was quick to grasp the fundamental economic fact that "Iron is the barometer of trade"—because pig iron actually enters into the production of everything that we eat, wear and use from the cradle to the grave. Thus, he plainly saw that iron and steel is our first and basic mechanical industry—obviously because its products are essential to all other industry.

Trained in early manhood as a division superintendent of the Pennsylvania Railroad, he was first to manufacture iron bridges to supplant the wooden trestles of sixty years ago, first to roll heavy steel rails, first to develop and make practical the machinery for mass production of steel beams, girders, etc., in our modern era of steel frame construction, first to make the armor plate for our invincible navy, always first and foremost in making ready for every promising and profitable market for his output, and far and away first in keen appreciation of the necessity for making sure of his raw materials in iron ore, coal, coke, limestone and their economic transportation.

But the inner secret of Mr. Carnegie's history-making success is now to be explained. He knew that partnership in business is as old as commerce itself; and in the very beginnings of his career he drew into his firm, as actual partners, a few men who were personally equipped to aid him in the conduct and development of the business. His chemists and metallurgists soon demonstrated that steel making is a highly technical industry; his mechanical engineers early proved that "machinery holds all the secrets of low-cost production"; his problems of distribution called for sales ability of the first order, and thus the circle of his business partners steadily widened until it included a score or more of men with the best brains in each and every branch of the iron and steel industry. Every man among them was thoroughly competent to conduct his own business on his own account, but Mr. Carnegie had the rare gift of convincing him that he could make more money, and make it more surely, by joining his partnership—and straightway he proved it! For in the end he made all his junior partners millionaires, many times over, and himself a justly famous multi-millionaire.

In this way he drew into partnership Captain "Bill" Jones, who left an individual and imperishable impression upon the history of iron and steel making; Henry E. Frick, the then independent leader in the coke industry and an industrial executive of masterful ability; and Charles M. Schwab, "the best salesman who ever trod in shoe leather," for he, personally, actually "sold" the idea of the United States Steel Corporation to the late J. Pierpont Morgan.

Now we have the same vital principle of "partnership in business" applied throughout the entire executive organization of the General Motors Corporation—even down to the ambitious workman who aspires to recognition of his services. The story is one of direct and absorbing interest to all our readers, and is published through the courtesy of the editor of Industrial Management, for whom Mr. Raskob told the story.

THE three governing factors in industrial production are capital, labor and management. Each is essential to the successful conduct of a manufacturing business. It might be possible to operate a business with capital and labor under indifferent management; and, in the absence of competition, to conduct it at a profit.

Business on this continent knows no such Utopian condition. Competition is keen. Interested capital and competent labor are plentiful and relatively easy to secure. But management, that is, the brains necessary to direct sales and production effort to show a profit in competition with other capable minds, must be more diligently sought. It is difficult to measure managerial ability, except by performance. In fact, native ability can be developed only by giving its fortunate possessor an opportunity to exercise it.

One Man Businesses no Longer

The great industrial and business enterprises of this continent have, in the past, been built up by men who had the managerial gift and knew it Coupled with it, they had also ambition and initiative. It seems strange now, in view of the co-ordination of talent required for the conduct of the business of a great manufacturing corporation, that the foundations of many of them were, in each case, the work of one man.

The yard-stick, by which the successful growth of business was measured, was the vision and ability to manage large affairs, with which the founder was equipped. Talent for organization was an important part of that equipment. That is to say, the man who directed the affairs of a rapidly growing business had to know how to pick men, delegate authority to them and exact proportionate results from them.

Executives have always been divided into two classes: Those who could tell subordinates what was wanted, leaving ways and means to their judgment, and those who insisted upon telling subordinates not only what to do but how to do it. There was and is no room in the field of big business for the second class. The complex activities of a great corporation are far beyond the detailed direction of any one man, however capable.

The great captains of industry recognized this simple but basic principle and selected their senior executives for their proven ability to take responsibilities upon themselves; reserving, however, the general control to themselves. Obviously it must be made advantageous to men of ability to remain within the organization in which they had been given their opportunity; hence the salaries, which, in those days, appeared to be fabulous.

Need for More Than Salary Incentive

The far-sighted iron-master, Carnegie, was among the first of the organizers of a corporation in world-wide trade, to recognize that there was a limit to the inducement offered by salary. He knew that the kind of executives he was developing would be quite able to organize and operate companies of their own. Consequently, he made them his partners so that their combined ability would continue to be concentrated more effectively upon the development of his steel business. He was able to show them that they could profit more certainly and extensively as his partners, than in any other way.

I hold this to be a sound principle of organization, but I would go further. In a corporation like General Motors, owned by 50,000 stockholders, the opportunity to profit by the prosperity of the business should be extended to every member of the organization, according to the importance of the part he plays in producing effective results. This is exactly what General Motors Corporation is doing. Before outlining the methods by which incentive opportunity is given each member of the organization, let me explain how the operations of manufacturing so many makes of cars are carried on. It will serve to clarify what is to follow.

General Motors manufactures the following cars: Cadillac, La Salle, Buick, Oakland, Oldsmobile, Pontiac, and Chevrolet. Each one of these is manufactured by an operating unit known as a division which is entirely self-contained, with a general manager having complete jurisdiction and responsibility but subject to the coordinated control of the executive committee as described hereinafter. In addition to the car divisions, there is the Fisher Body Division with its subsidiaries and thirteen other divisions manufacturing accessories, as spark plugs, springs, speedometers, starting, lighting and ignition systems, klaxon horns, lamps, radiators, bearings, steering gears, differential gears, wheels and transmissions.

Executive Judged Solely by Results

Each of these divisions is conducted as a business in itself. The responsible head operates the business with no other limitation than that which has been established by the policy of the corporation, expressed through its executive committee. For example, each make of car is intended to satisfy a certain class of consumer demand. The only limitation placed upon the executive in charge of a car division is that he produce the best car possible between certain established cost limits. Otherwise, his hands are as free as though he were the head of his own business. This independence of the division is accentuated by the fact that the cars are, for the most part manufactured in different cities. The Cadillac and La Salle cars are made in plants in Detroit. The Pontiac and Oakland in plants at Pontiac. The Oldsmobile at Lansing and the Buick at Flint. The Chevrolet being a high-quantity-production car, is assembled in twenty-three principal plants throughout the world. The parts which go into the final assembly of Chevrolet are manufactured in specialized plants from which they are shipped direct to the assembly plants. For instance, the axles are made in Detroit, the motors in Flint and the transmissions in Toledo, but the cars may be put together at St. Louis or Tarrytown or any one of the twenty-three assembly plants. This does not apply to the other cars.

The Fisher Body Division maintains a body-making plant, adjoining each of the car-assembly plants where the bodies for that particular make of car are turned out. Incidentally, the subsidiaries of this division manufacture plate-glass, lumber, automobile hardware and other material

(Continued on page 24)

BUREAU OF CANADIAN INFORMATION

THE Canadian Pacific Railway, through its Bureau of Canadian Information, will furnish you with the latest reliable information on every phase of industrial and agricultural development in Canada. In our Reference Library, maintained at Montreal are complete data on natural resources, climate, labor, transportation, business openings, etc. Additional data are constantly being added.

DEVELOPMENT BRANCH—If you are interested in the mining wealth and industry of Canada or in the development or supply of industrial raw materials available from resources along the Canadian Pacific Railway, you are invited to consult this Branch. An expert staff is maintained to investigate information relative to these resources and examine deposits in the field. Practical information is available as to special opportunities for development, use of by-products and markets, industrial crops, prospecting and mining.

"Ask the Canadian Pacific about Canada" is not a mere advertising slogan. It is an intimation of service—without charge or obligation—that the information is available and will be promptly forthcoming to those who desire it.

CANADIAN PACIFIC RAILWAY COMPANY
Department of Colonization and Development.
MONTREAL, CANADA. J. S. Dennis, Chief Commissioner.

AS THIS ISSUE HAS BEEN SOLD, THIS ADVERTISEMENT APPEARS AS A MATTER OF RECORD ONLY.

NEW ISSUE

100,000 Shares

Canada Malting Co., Limited

(Incorporated under the Dominion Companies' Act)

CAPITALIZATION
(Upon completion of the present financing)

	Authorized	To be presently issued and outstanding
Capital Stock—No Par Value Shares	200,000 shares	184,000 shares

No Bonds. No Preferred Stock. No Bank Loans.

Transfer Agent: The Toronto General Trusts Corporation *Registrar: Montreal Trust Company*

DIRECTORS

The Board of Directors will include:—

WILMOT L. MATTHEWS, *President,*
Director, Dominion Bank.
Director, The Toronto General Trusts Corpn.

H. C. HATCH, *Vice-President,*
President, Gooderham & Worts, Limited.
President, Hiram Walker's, Limited.

ARNOLD C. MATTHEWS,
Director, Canada Malting Co., Limited.

W. H. MARA,
Partner, Mara & McCarthy, Stock Brokers.

ERIC S. CLARKE,
Director, Canada Malting Co., Limited.

L. M. McCARTHY,
Partner, Mara & McCarthy, Stock Brokers.

E. G. LONG, K.C.,
Director, Mutual Life Insurance Co. of Canada.

CHARLES H. S. MICHIE,
Director, Michie & Co., Limited.

From information supplied by the Company:—

THE COMPANY

Upon completion of the present financing, the Company will own and operate all the business and undertaking of The Canada Malting Company, Limited, either through ownership of the entire Capital Stock of the latter Company or by direct ownership of all its business and undertaking.

The Canada Malting Company, Limited, commenced business in June, 1900. Its plants, situated in Calgary, Winnipeg and Montreal, are thoroughly modern in design and equipment and have been maintained in efficient operating condition, supplied with ample shipping facilities through direct railway connections.

SECURITY

The Company has only one class of stock, namely: Common Shares without any nominal or par value. There is no bonded debt, mortgage, Preferred Stock or Bank Loan, the Company being entireley free of debt with the exception of its current accounts. No Bonds or Preferred Stock can be issued unless sanctioned by at least two-thirds of the votes cast at a Special General Meeting of the Shareholders called for the purpose.

ASSETS

The financial position of the Company as at 31st July, 1927, is shown in the following Consolidated Balance Sheet, certified by Messrs. Price, Waterhouse & Co. The value of the fixed assets is based on a recent appraisal made by Canadian Appraisal Company, Limited. No amount is carried on the books of the Company for goodwill, although the reputation and connections of the Company built up through a long period of years, represent a real asset of great value.

CANADA MALTING CO., LIMITED
Consolidated Balance Sheet as of July 31, 1927
(After giving effect as at above date to present financing)

ASSETS

CURRENT ASSETS:		
Cash on Hand and in Bank and Call Loans	$173,511.44	
Dominion of Canada Bonds	154,800.00	
Grain Exchange Seats	9,600.00	
Accounts and Bills Receivable	449,616.90	
Deferred Charges	16,242.62	
Barley, Malt, Coal, etc., at cost	907,954.46	
		$1,711,725.42
FIXED ASSETS:		
Land, Buildings and Equipment on basis of appraised depreciated values reported by Canadian Appraisal Company, Limited		3,216,730.75
		$4,928,456.17

LIABILITIES

CURRENT LIABILITIES:	
Accounts Payable	$ 138,530.78
CAPITAL STOCK:	
200,000 Shares of no par value of which 184,000 are to be issued fully paid	4,789,925.39
	$4,928,456.17

We have examined the books and records of The Canada Malting Company, Limited (old company), and we have inspected the documents and agreements in connection with the organization of Canada Malting Co., Limited (new company), and we certify that the above consolidated balance sheet as at July 31, 1927, is, in our opinion, properly drawn up and shows the true financial position of the combined companies after giving effect as at that date to the present financing.

(Sgd.) PRICE, WATERHOUSE & CO.,
Chartered Accountants.

Toronto, September 7, 1927.

EARNINGS

The net earnings of The Canada Malting Company, Limited, are shown in the following Certificate of Messrs. Price, Waterhouse & Co.

We have examined the books and accounts of The Canada Malting Company, Limited, for the period of three years and nine months ending July 31, 1927, and certify that the net earnings after charging all expenses and making adequate provisions for depreciation of buildings and plants and for Federal income taxes, were as follows:—

Year ending October 31, 1924	$383,120.03
Year ending October 31, 1925	364,664.75
Year ending October 31, 1926	372,280.94
Nine months ending July 31, 1927	243,074.87

Yours very truly,
(Sgd.) PRICE, WATERHOUSE & CO.,
Chartered Accountants.

Toronto, September 7, 1927.

DIVIDENDS

As the Company is in an exceptionally strong liquid position and earnings are at a satisfactory rate, it is the intention of the Directors to consider at an early date the placing of these Shares on a dividend basis of $1.50 per Share per annum.

MANAGEMENT

The management of the Company will remain in the hands of those who have been in charge of the business for many years and have been responsible for its success.

LISTING

It is the intention of the Company to make immediate application to list the Shares on the Unlisted Department of The Toronto Stock Exchange and on the Montreal Curb Market.

All legal matters in connection with this issue are being approved by Messrs. Long & Daly, for the undersigned, and by Messrs. Rowell, Reid, Wright & McMillan, for the Company.

We offer the above shares if, as and when issued and accepted by us and subject to the approval of Counsel, at

PRICE: $25.00 per Share

Mara & McCarthy
297 BAY STREET, TORONTO
Members Toronto Stock Exchange
Members Montreal Curb

The statements contained herein are based upon information which we believe to be reliable, although we cannot guarantee their accuracy.

12th September, 1927.

Private Wire Connection to New York, Chicago, Winnipeg, Montreal, Toronto and Vancouver.

G. F.
TULL & ARDERN
LIMITED
STOCK, BOND, GRAIN
and
FINANCIAL BROKERS
LANCASTER BUILDING
CALGARY, Alberta

For Economy with Service
Route Your Freight Shipments
via
Canada Steamship Lines,
LIMITED

Between
Montreal
Three Rivers
Quebec

From
Montreal, Toronto, Hamilton
to
Port Arthur, Fort William

Between
Montreal, Toronto,
Hamilton, Windsor,
Detroit

Management is Major Factor in Any Industry

(Continued from page 23)

entering into the construction of the bodies.

Stimulus to Low-Cost Production

To complete the picture of the extensive plant system, whose specialized products go into the finished cars, it may be added that the thirteen accessories divisions are operated as so many independent factories, also in widely separated localities. Each is operated upon the basis of maximum efficiency so that the price of the output will be such as to induce the heads of the car divisions to purchase from G. M. C. accessories divisions instead of buying outside. They are free to do so, however, if they find it advantageous. Hence, it is the aim of each G. M. C. accessories division to outstrip competition both in quality and price. The Saginaw foundry, for example, aims to produce gray and malleable iron castings, which will meet the specifications of the different car divisions at a price at which they could not be bought at any other foundry. The responsibility which rests upon each division head is now plain. While he is given every co-operation from the other divisions and the central control organizations, as that which is reflected by the extensive purchasing power of the corporation, he must, nevertheless, stand on his own feet, as far as the quality and price of his product are concerned.

He selects his own staff personnel, organizes the layout, equipment and manufacturing methods of his plant, purchases material in accordance with the production schedule laid down for him, and, in the case of the car divisions, attends to his own advertising and transactions with his dealers.

Co-ordination Between Divisions

The co-ordination of the activities of all these divisions must be such that there will be no undue conflict, competitively, between the product of one division and that of another. General policies must be determined from the standpoint of the corporation as a whole, rather than from that of any one division. This is done through the inter-divisional relations committees of the corporation.

The general purchasing committee deals with questions of purchasing policy so that each division may enjoy the full advantages derived from the combined requirements of all divisions. In the same way the general technical committee sees to it that new engineering developments of a fundamental character are made available to the divisions. The works managers committee considers the application of new, economical manufacturing methods which have been developed in one plant, to others. The general sale committee acts in the same capacity with regard to sales and advertising policies.

From this description of the administrative and operating organization of General Motors, it is apparent that the executive personnel is divided into the following classes arranged in the order of responsibility.

1. The senior executives of the corporation, including all its divisions and subsidiary companies.
2. Junior executives occupying positions of responsibility and importance.
3. Other junior executives such as the heads of departments and other salaried employees occupying positions of importance, under direction.

Finally, come the foremen, minor executives and the main body of employees.

It is the policy of the General Motors Corporation that the above numbered classes of executives be admitted to share in a partnership way in the results of their own efforts, and that the main body of employees be given an opportunity to save, with a view to investment in the corporation's securities, thereby admitting them to partnership.

Managers Securities Company

It is considered only fair to recognize that, irrespective of the important contribution to the institution's success made by every workman in the organization, the heavy responsibility of formulating policies and directing the affairs of the corporation rests upon the major executives in classes 1 and 2. I have indicated in the preceding sections how extensive this responsibility and authority may be. It is believed to be to the best interests of the stockholders that these responsible men should have a definite financial share in the business, the equivalent of the rewards of private enterprise.

The Managers Securities Company was formed for this purpose in 1923 and purchased in that year a large block of General Motors common stock, at the then current market price. Payment was made, partly in cash and partly in preferred stock of the Managers Securities Company, the members of which (now about eighty junior and senior executives) made a personal investment of $5,000,000 in cash. The General Motors Corporation contracted that the Managers Securities Company should receive, each year, five per cent. of the net earnings of the corporation, after allowing seven per cent. on the capital employed in the business. The period of the agreement covers the eight years from 1923 to 1930 inclusive.

The Securities Company, therefore, has a partnership interest in General Motors' earnings after the stockholders are taken care of. It is, moreover, a stockholder, profiting by the dividends received on the common stock in the treasury of the Managers Securities Company, as well as by any increment in value of such stock. It may be added that the original block of common stock was made available for purchase by the duPont Company which had long recognized and profited by applying the same methods to its own business.

The same principle may be made available in any institution faced with the conviction that its executives should become stockholders and partners in the enterprise.

Bonus Plan for Salaried Employees

It is considered that the third class of executives, namely, the heads of departments and other employees occupying important positions on a salary basis, should share as partners in the results they helped to achieve. Therefore, the bonus plan adopted in 1918 provides for annual awards of General Motors stock, for conspicuous and meritorious service, on the part of all employees receiving salaries of $5,000 and over.

The bonus fund is credited each year with a percentage of the corporation's net earnings, after deducting seven per cent. on the investment capital. Since 1923 this sum has been at the rate of five per cent. and has been invested in General Motors common stock. At the end of each year it is alloted to various divisions in proportion to the extent to which each has contributed to the prosperity of the corporation as a whole. The general manager of each division then recommends the distribution of the allotment within his division. The finance committee of the corporation reviews the recommendations and approves or modifies them, as circumstances warrant.

Thus, each individual benefits by his contribution to the results attained by his division to the extent of partnership and profit through the earnings of the corporation and the increased value of its common stock. The senior executives of tomorrow are recruited from the junior executives of to-day. There is, as a matter of fact, a junior executive-assistant for each senior executive. If a senior position becomes vacant, his junior is promoted, unless, it is considered advisable, for reasons of conspicuous fitness, to promote another more competent junior even from some other division.

The bonus plan, therefore, provides an incentive to best effort by principal employees whose further reward lies in advancement to higher and still more important positions in the corporation. Conversely, the corporation profits by its ability to fill these positions with men whose managerial ability has been amply demonstrated.

Opportunities for All Other Employees

This paper deals primarily with the development of managerial ability, which is usually found among those who already hold executive positions. Nevertheless, it is quite possible that such ability may exist among the foremen and employees at large. The General Motors' plan of "every employee a partner" is therefore extended so as to furnish opportunity to every worker. Besides, it is considered both wise and fair to assist the worker to individual financial independence in later years.

Several methods of insuring this result are open to employees.

The savings and investment plan was established in 1919. Under its provisions, any employee of three months or more standing may deposit in the savings fund each year up to twenty per cent. of his wages, not to exceed three hundred dollars. For each dollar he pays in, the corporation pays in fifty cents, which latter amount is invested in common stock for the account of the employees. His own payment draws interest at six per cent. compounded semi-annually.

The employee may withdraw his funds with accrued interest at any time, but if he leaves the corporation he must withdraw his fund.

Many workers who invested $900 in the three years beginning, 1919 had, on the first of the current year, an accumulation of cash and securities, having a total market value in excess of $6,000.

Another investment measure for employees is the Housing Plan of the corporation, by which each one may have his payments into the savings fund applied to the purchase of a home. At the same time he still continues to receive full benefits from the investment fund at maturity.

Additional Investment Opportunities

Still another provision is made for facilitating investment on the part of employees. The cash proceeds from the savings and investment classes, as they mature, may be applied to payment of shares of seven per cent. General Motors preferred stock. This payment may be made either as indicated or out of salary or wages in eleven monthly installments. To make the plan more attractive, the corporation makes an extra payment each year for five years of $2 a share in addition to the $7 dividend.

Finally, employees may protect themselves and their dependents by a group life insurance policy. Those who have been with the corporation or its subsidiaries for three months or more, may insure themselves without medical examination for $1,000 each. The insurance is payable at death to a designated beneficiary, or in the event of permanent disability before the age of sixty, to the insured in twenty equal monthly installments. The plan is co-operative, the insured and the corporation sharing the costs. At the present time ninety-eight percent of those eligible are insured.

This, then, is the General Motors plan of training its entire body of employees to provide for the future, both by participation in the success of its enterprises, and by self-development, which will lead to preferment to the higher positions in its organization.

The central motive in the business is the permanent welfare of the owners. This welfare can be assured only by management of the highest order. The nature of the business is such that the conduct of the manufacturing components must be delegated, under control. Only men possessed of independent initiative and managerial skill are able to assume such heavy responsibilities. Even while they are still at the height of their careers, their understudies must be in training; and the understudies to the understudies, and so on down the line. Above all, completely satisfactory incentive in the way of financial reward must be held out to insure a maximum of return for a maximum of effort, to all whose combined work gives the driving power to the organization.

It is the purpose of the General Motors' plan of decentralized operations with co-ordinated control to forge all these links in the chain of organization so as to unite in one common interest the welfare of the owners of the business with that of all the members of the staff and working force; so that increased profits to the stockholders bring increased profits to those who helped earn them.

General Motors Corporation net earnings for the year 1926 were $186,231,182. There is included therein $10,146,038, which is the corporation's proportion of the earnings of subsidiary companies not consolidated but accruing to General Motors Corporation in excess of dividends received. (The difference, or $176,085,144, is reflected directly in General Motors consolidated income account and balance sheet.) After paying the regular quarterly dividends on preferred and debenture stock requiring $7,645,287 for the year, there remained $178,585,895, being the amount earned on the common shares outstanding. This is equivalent to $21.80 per share on the common stock as against $14 per share for the year 1925 calculated on a comparable basis giving effect to the 50 per cent. stock dividend paid in September, 1926. The total net earnings of the corporation, $186,231,182, including the corporation's proportion of the earnings of subsidiary companies not consolidated but accruing to General Motors Corporation in excess of dividends received, compares with net earnings for the year 1925 of $116,016,277.

Recently it was announced that the net earnings for the first half of the current year have been $129,250,207. Subsequently a 100 per cent. stock dividend was announced.

In the same year, 1926, payment was made to the Managers Securities Corporation of the next 5 per cent. of net earnings after 7 per cent. on capital used had been deducted. Moreover 85,634 shares of common stock were alloted to 1,513 employees as a bonus. At the end of the same year the employees' savings class of 1921 matured and as a result there was paid to employees:

$1,109,880 on account of their savings.

$417,786 on account of six per cent. interest on their savings, and $6,733,716 on account of accumulation of the corporation's contribution of common stock five years ago, making a total of $8,261,382.

Further evidence of the successful operation of the General Motors Organization Plan for the interest of all concerned is scarcely necessary.

Minimum Wage Law In Effect in Alberta

Male workers in the province of Alberta now enjoy the benefits of a minimum wage law. This is one of the interesting changes in labor legislation in Canada contained in the report issued by the Department of Labor at Ottawa.

Alberta has revised the factory act in force there to provide that wherever a minimum wage has been fixed for female workers in any class of employment, no male worker shall be employed in such class at a lower wage. An exception is made in the case of apprentices who have been duly indentured with the approval of the commissioner of labor and who are under proper instruction by the persons to whom they are apprenticed.

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NEW ISSUE

$1,500,000

United Amusement Corporation, Limited

6% First Mortgage 15-Year Sinking Fund Gold Bonds, Series "A"

To be dated September 1st, 1927, maturing September 1st, 1942. Principal and semi-annual interest payable at The Royal Bank of Canada, Montreal, Toronto, Winnipeg, Vancouver, Halifax and Saint John. Coupon bonds in denominations of $1,000, $500 and $100, with privilege of registration as to principal. Redeemable as a whole or in part, at the option of the Corporation, on any interest date on thirty days' notice, at 105 up to and including September 1st, 1932; thereafter at 103 up to and including September 1st, 1937; thereafter at 102 up to and including September 1st, 1940, and thereafter at 100 until maturity; in each case with accrued interest to date of redemption. Trustee: Montreal Trust Company.

CAPITALIZATION
(On completion of this financing)

	To be Authorized	To be Issued
First Mortgage Bonds, due 1942	$3,500,000	$1,500,000*
Common Shares (no par value)	100,000 shares	60,036 shares

*of Series "A", 6%

Each $1,000 Series "A" Bond will bear a warrant entitling the holder to purchase four shares of no par value Common Stock of the Company ranking pari passu with its presently outstanding Common Shares, at a price of $25 per share, up to and including September 1st, 1933. Should Series "A" Bonds be called for redemption prior to that date, the holders thereof shall have thirty days prior to such redemption in which to exercise this purchase right.

Descriptive circular, copies of which will be supplied upon request, contains a letter from Mr. Ernest A. Cousins, President of the Corporation, from which he summarizes as follows:—

THE COMPANY: United Amusement Corporation, Limited, was incorporated under the laws of the Province of Quebec in 1924, to acquire the assets and undertakings of Independent Amusement, Limited, and United Amusements, Limited, which for several years had operated successfully a number of motion picture theatres in the City of Montreal.

The Corporation is one of the principal exhibitors of motion pictures in Canada, at present operating 12 Montreal theatres, with an aggregate seating capacity of 14,400 people. These theatres are designed, constructed and equipped in accordance with the most modern standards and are well located in thickly populated sections of the city. The Corporation enjoys marked operating advantages through the possession of valuable franchises and agreements, including preferential rights to first runs in its theatres of films of the principal producing companies. A substantial interest in the equity represented by the Common Shares of the Corporation is owned by Famous Players Canadian Corporation, Limited, which is the leading motion picture theatre organization in Canada.

PURPOSE OF ISSUE: Series "A" bonds are being issued to provide funds for the retirement at or before maturity in 1932 of purchase money mortgages, amounting to $213,250, outstanding against certain of the Corporation's properties; to redeem all of the Corporation's presently outstanding 8% Cumulative Preferred Stock, and for the construction or acquisition of additional theatres.

VALUE OF ASSETS: Freehold land, buildings and equipment owned by the Corporation have been appraised by Ewing & Ewing, Real Estate Brokers, Montreal, as regards land, and by Daniel J. Crighton, Architect, Montreal, as regards buildings and equipment, at a total valuation of	$1,783,809
Leasehold properties and franchise rights are conservatively valued by officials of the Corporation at	515,737
Cash to be deposited with Trustee pending investment in additional theatre properties	325,705
Total	$2,625,251
As against First Mortgage Bonds now to be issued	$1,500,000

Equivalent to $1,750 per $1,000 Bond.

The Trust Deed securing these bonds will provide that the Corporation shall pay no dividends on its capital stock nor make any capital expenditures when its net current assets (after deduction of current liabilities) are less than $50,000, or when payment thereof would have the effect of reducing net current assets below that amount.

EARNINGS: Based on annual earnings for the two years ended August 31st, 1925 and 1926, as certified by Marrotte, Anderson & Co., Chartered Accountants, after deducting operating expenses and local taxes but before depreciation, etc., average earnings available for bond interest were at the annual rate of $243,953.49—equivalent to 2.71 times the annual interest of $90,000 on bonds of this issue now to be outstanding. For the ten months ended June 30th, 1927, net earnings on the same basis were at the rate of $313,814 per annum, or 3.48 times the interest requirement of these bonds.

It is anticipated that earnings for the year ending August 31st, 1928, will be increased through operation of the Rivoli Theatre (which was opened December 18th, 1926) and of the Rosemont Theatre, which was opened April 9th, 1927.

GROWTH OF BUSINESS: Growth of the Corporation's business is indicated by the following statement of theatre admissions and receipts:—

	Admission	Receipts
Year ended August 31st, 1925	3,683,396	$791,200
Year ended August 31st, 1926	4,049,970	867,999
10 Months ended June 30th, 1927	3,531,527	810,486

SINKING FUND: The Trust Deed will provide for an annual cumulative sinking fund which, it is estimated, will be sufficient to retire at par, by maturity, an amount equivalent to 60% of Series "A" bonds now being issued.

We offer these Bonds for delivery if, as and when issued and received by us, and subject to approval by our counsel of all proceedings, at—

98½ and accrued interest, to yield about 6.15%

Royal Securities Corporation, Limited

MONTREAL TORONTO HALIFAX SAINT JOHN CHARLOTTETOWN QUEBEC HAMILTON
WINNIPEG CALGARY VANCOUVER VICTORIA NEW YORK ST. JOHN'S, NFLD.

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

Canadian Mining News

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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Electrical Prospecting Now Gaining in Favor

Has Met With Success in Many Parts of World—Canadian Experiences Are Generally Favorable—Few Failures Are Chalked Up Against it—Principles Are Outlined

By SHERWIN F. KELLY,

Mining Geologist and Geophysicist, 62 Front St. W., Toronto 2, Ont.

Geographical prospecting is making material strides in Canada. It first came to attention here in Rouyn area, and later in British Columbia, and is now being employed in several places in Ontario, notably Kamiskotia. While failure has been chalked up against electrical prospecting on Amulet and Area and Don Rouyn groups, it has Noranda, Britannia Copper, Newfoundland, Bunker Hill-Sullivan at Chelmsford, and other successes to offset these unfavorable experiences. The following article deals rather briefly with the principles of geographical prospecting.

Prospecting has, as its primary purpose, the discovery of certain valuable minerals or of geological formations indicating a reasonably safe inference that such minerals are present, though hidden.

The first requisite in this work is that the various minerals be distinguished, one from another, and that different geological formations be recognized, and their characteristics known. All this requires a knowledge of the characteristics, general and specific, of minerals and rocks. Such knowledge may be only partial, and ordinarily must embrace those easily-noted properties that are essential to the recognition of mineral and rock types.

The ordinary prospector observes only the more salient things, such as color, lustre, weight, hardness, structures, etc. In brief, the things that affect the senses of sight and touch are the ones that interest him.

The trained geologist goes a step farther, and knows more thoroughly those same properties, as well as others requiring special study. He utilizes knowledge of the crystal systems, cleavage, and specific gravity to distinguish the various minerals, and makes use of the chemical characteristics by means of the blowpipe, chemical analyses and assays. The particular effects produced on light waves by various minerals as observed through the petrographic microscope serve to distinguish species otherwise difficult to differentiate. The microscope is also called in for the purpose of studying rock-types, opaque ore-minerals, clastic material, and so forth, solving questions of origins, order of formation, progress of alteration and replacements, and many others.

Practically all the above procedures could logically be called geophysical because they involve, to a certain extent, the study of properties ordinarily investigated through the science of physics (or chemistry). This may seem somewhat like pointing the obvious, but to so many people the term "geophysical prospecting" implies a new study, recondite and mysterious, that it seems well to show at the outset that one is dealing merely with a logical development from the already familiar, an inevitable extrapolation from past knowledge and practice.

Dip Needle is Familiar

To the average mining engineer magnetic prospecting (dip-needle work) is a familiar method of locating magnetic minerals, such as magnetite and pyrrhotite. With increasing sensitivity of the magnetometer used, the field of operations can be extended to include the differentiation of rocks differing in their weak magnetic properties to only a minute amount. This procedure makes use of a physical property, magnetism, and is, therefore, geophysical prospecting in the accepted meaning of the term.

The use of electroscope to find lost radium tubes and to discover radioactive minerals or water, is another form of geophysical prospecting.

What more logical, then, than to attempt to use other characteristics whose study falls within the field of the physicist? Relative densities of geological formations may be studied through their alteration of the gravitational field. The refracting and reflecting effects of rocks and ores upon transverse and longitudinal oscillations (of sound waves and miniature, artificial earthquake waves) are observed by means of seismographs. Some attempts have been made in certain "radio" methods of prospecting to make use of the refraction and reflection effects of various formations upon the electromagnetic "Hertzian waves."

This introduces the question of the investigation of electrical properties, at the present time one of the most fruitful fields of study in geophysical prospecting. It is obvious that the study of different electrical properties of geological formations can constitute various methods of geophysical exploration. In this respect, the electrical conductivity, the electrical capacity as well as the electromagnetic properties of the subsoil can be taken into consideration.

Briefly, prospecting involves the observation of certain properties, possessed by minerals, usually physical and of varying degrees of complexity. Proceeding from those easily observed to those requiring scientific training and technical skill they are:

Depend on Conductivity

Reflection and absorption of light (lustre and color), hardness, weight and specific gravity, molecular arrangement (crystal system and cleavage), refraction and polarization of light (mineralogical studies with petrographic microscope), chemical composition (blowpipe and chemical analyses), magnetic field (dip-needle surveys), density (gravimetric studies), rigidity (seismological work), and lastly, electro-magnetic permeability, induction and capacity, electrical resistance and electro-chemical activity, all depending more or less on **electrical conductivity.**

The most familiar of the geophysical method is the magnetometric survey, which is of comparatively ancient application. It is believed that the dip-needle was used as early as 1760 to locate iron ores in New Jersey, and beginning with John Lock's work, in the U.S. in 1846, studies were made of the relationship between main tectonic features of the earth's crust, and anomalies in the terrestrial magnetic field. Not until 1879 were the simpler laws of the magnetic method worked out, by T. R. Thalen, at least in regard to their application to prospecting, although the method was in practical use prior to that time.

Since then the workers in this field have been too numerous to mention, and the system has been proven of wide utility. It can now be used to locate not only magnetic ore bodies, but to trace buried granite ridges, locate hematite masses, and under favorable conditions, salt domes, etc.

The simplest form of magnetic survey is with the dip-needle, which is merely a compass arranged so that when in use the needle swings in a vertical plane about an horizontal axis. The apparatus is held so that the plane of swing of the needle is at right angles to the magnetic meridian. Thus the vertical component of the magnetic field due to the disturbing magnetic body is read directly. Every region has its normal local magnetic influences, and it is only where the observed effect differs widely from the normal that the presence of magnetic ores is suspected.

Measure More Accurately

The dip-needle is not capable of refined work, and accordingly more delicate instruments have been devised to measure more accurately a larger number of factors, namely: inclination, horizontal intensity, and declination or angle of direction of the horizontal intensity with the astronomical meridian.

For the location of useful magnetic deposits, it is frequently satisfactory to know merely the horizontal and vertical intensities of the field. and for this the magnetometer is usually sufficient. In this instrument a movable magnet is used to compensate the earth's field, and thus the vertically swinging needle is brought finally to rest in a horizontal position. The position of the movable magnet is used to compensate the earth's field, and thus the vertically swinging needle is brought finally to rest in a horizontal position. The position of the movable magnet is read. and this indicates the vertical intensity of the field. With

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Little is Known of Electrical Methods

The forthcoming bulletin of the U. S. Bureau of Mines concerning the principles involved in geophysical methods of prospecting should throw considerable light upon a subject which has been viewed by most mine operators as being altogether too deep for them, says Engineering and Mining Journal. Numerous companies have, of course, employed one or more of these methods, but results obtained in these instances have frequently not been made public, and few data of this nature have therefore been available for consideration of the industry as a whole. Further, no textbooks in English have been published.

A thorough study of the subject by a disinterested party has been needed—a study which will afford the industry explanations of the different methods and their fields of application, knowledge of geological conditions to which they are amenable, and the manner in which the physical data obtained should be interpreted. With this information public, and with certain principles bearing the indorsement of the Bureau's staff, the amount of geophysical prospecting done should increase materially. Also, whether or not the Bureau extends its study into the field of pure research, which work might evolve new methods or a perfection of present ones, credit should be given the geophysical prospecting companies now in the field for their pioneer work and the results that they have achieved in many different mining districts.

Old Duprat Company Has Considerable Cash

Copies of Duprat's annual report have been sent shareholders. Some interesting points are made by the auditors, who say that the total receipts for the period amounted to $99,160.36, of which $97,300 was realized from the sale of 700,000 shares out of a total of 2,500,000 shares of the capital stock of your company provided by the vendor of mining claims under agreements dated August 15, 1925, and January 24, 1927, for which the Capital Trust Corporation, Limited, is trustee. There were also issued 200,000 shares of this stock in payment of mining claims purchased.

As there had been 1,075,000 shares sold in the previous period from incorporation of the company to July 31, 1926, there were remaining on June 30, 1927, 525,000 shares available for the benefit of the company. These shares are not shown as an asset on the balance sheet. The plan followed is to treat the proceeds only as working capital as and when the shares are sold or disposed of. Four hundred thousand of these shares have been issued since the date of the balance sheet for mining claims purchased.

On July 23 assets of this company were transferred to a new one and shares exchanged on basis of one new for two old.

Balance sheet figures:

Assets on June 30, 1927	
Cash	$ 14,161
Bonds	60,525
Claims at Cost	5,000,496
Expense	54,808
	$5,130,091
Liabilities	
Accounts	1,890
Capital Stock	5,000,000
Surplus from Shares from Prop. Vendor	128,201
	$5,130,091

Statement of receipts and expenditure itemized fully. These reveal that Duprat's Electrical Survey cost $3,000—diamond drilling $4,556.

Electric Survey of Jay Copper Holdings

H. J. Stewart, managing director of Jay Copper-Gold Mines, advises that the company has given a contract to the Radiore Company for an electric survey to be made on their Dalquier properties, near Amos. This company has been successful in locating ore bodies on several properties in Northwestern Quebec. It is felt that owing to the geological structure on Jay Copper property, that an electrical survey should disclose additional ore bodies as well as confirming the extent of the deposits now uncovered. This survey is to be followed up with a program of diamond drilling, either from surface or at depth, which ever in the opinion of the engineers is considered best. Shaft sinking is being continued to the 500 foot level.

Big Gossan Discovery on Astoria Rouyn Group

Astoria Rouyn mines reports the unevening of a large gossan area on its No. 4 group. J. G. Sipprell, engineer, says he found chalcopyrite with pyrrhotite and pyrite in schisted rhyolite near black diabase contact. Shooting off the surface oxidized material the copper is showing heavier. He has traced the oxidized capping (gossan) for a considerable distance and it shows strength and continuity. It will take time and work to determine the dimensions.

PORCUPINE YIELD PER ACRE AHEAD OF THAT OF RAND

While Kirkland Lake Has Already Eclipsed Kalgoorlie's Golden Mile

MAY BE OTHER LODES

So Far, No Satisfactory Evidence Either by Geology or Production of Their Existence

During the last quarter of the 19th century there were two gold booms in Canada. At Rossland, B.C., the public had a rather unpleasant experience though the District yielded $65,000,000 in gold and copper in 22 years. But the ore required smelting and no single property was sufficiently large and rich to provide its own plant. After meeting the costs of treatment at a customs smelter there was only a negligible mining profit. Ultimately every property of any consequence was taken over by the Consolidated Company but they did not become rich until the war doubled the value of zinc and lead from the Sullivan mine. In Ontario, the production of gold reached its peak in 1899, the total for that year being $424,568. From 1904 to 1911 the annual output was less than $60,000. Though more than 100 properties were explored and about a dozen brought to production the total for any mine was less than $1,000,000.

Change When Porcupine Found

With the discovery of Porcupine we turned to a brighter page in our mining history. At least half a dozen mines compare favorably with the best in other parts of the world. Taken together, Hollinger and McIntyre have a total of 1175 acres. Their combined annual output exceeds that of the New Modderfontein, the richest mine in the Rand and now working 1808 acres. Their output is also more than that of the government gold mining areas with 3949 acres in the far East Rand. As a single organization, this is the world's greatest producer. Less than two decades back our mines were raw prospects in a wilderness unredeemed. To-day they are recognized as the only serious rivals of the Rand and for more than 42 years that great field has maintained an average annual output of $100,000,000, but in actual output per acre it is now behind the most productive sections of Porcupine and Kirkland Lake. The fault or fracture zone in the latter area is 2¼ miles long. It contains the highest grade "run of mine" ever known. The champion reef of the Mysore mine in the Kolar field, Southern India, has produced $120,000,000 in $20 ore from one shoot, 800 x 4 feet. Kirkland is on the threshold of a much greater career, and Kalgoorlies's famous "golden mile" is already eclipsed by the special enrichment in this unique district.

The Explanation

For the rapid and unexpected success of the Northern Ontario producers there is only one explanation. The ore bodies are fundamentally different from those exploited prior to 1911. There are no quartz veins with two well defined walls at Porcupine or Kirkland Lake. The ore is in the form of a lode or replacement of former country rock with quartz and gold. This condition has resulted form regional fracture of the terrane followed by heavy pressure which forced the hot auriferous solutions into the shattered zone. The ore itself, particularly that at the producing mines of Kirkland Lake, shows a reticulating or net like arrangement of minor seams or fractures. In depth two major faults or fractures, along which there have been many movements,

(Continued on page 29)

GRANBY DEFERS ITS COMMON DIVIDEND

May Also Make Stock Split After Bonds Are Out of Way

Granby Consolidated Mining, Smelting & Power Co. has funds sufficient to pay a quarterly dividend at present (working capital July 1 was $3,389,560 after payment of July dividend), but conditions exist which make it expedient to defer dividends for a while. Directors were due to take dividend action last month. A dividend of $1 a share was declared in May, payable July 1.

British Columbia, where the company is incorporated, has tax laws no less onerous than those existing in this country, says a Boston report. Dividends of $4 per share per annum paid from earnings by the Granby Co. would be subject to a British Columbia tax of over $220,000. As in the United States, distributions paid from capital, however, are not taxable.

Under the Canadian law, however, no distribution on stock can be considered as from capital as long as a single bond is outstanding. Therefore any distribution to be non-taxable will have to be deferred until the first of May next year when the $600,000 first mortgage 6s come due and are paid.

Many New Finds in Rouyn Area

Noranda, Corona and Area are reported to have made important discoveries in the Quebec field during the week. Noranda in installing the sewerage system for the town of Noranda is said to have cut a chalcopyrite body located considerably east of any previous discovery. The other body was cut in a drill hole and may prove to be a downward continuation of the surface discovery made near the primary crusher plant.

Corona's discovery was in surface prospecting in the vicinity of the McDougal boundary. It is said to be 2½ to 3 ft. of massive chalcopyrite. Full details have not as yet been issued.

No details of the Area find, the first intimation of which came through a ten point rise in the price of the shares. This section around McDougall, Area, Corona, Grover Daley, Ribago, continues to look more interesting daily.

NO NEWS ABOUT DOME, YET STOCK TAKES BIG JUMP

The Company Must Expect Something in Expanding Surface Plant

Dome shares have sold up to over $10 this week. There were many who believed they would never reach this level again.

As is usual about Dome, there is no information available to explain the cause of the movement.

Gen. Mgr. Depencies is credited with the statement that the deep workings have not reached the point where news might be expected. He says they are about ready to drive east on the 3,000 ft. level into Dome Extension Ground. Later they will diamond drill.

On the face of this statement the only conclusion is that the Dome rise is due to manipulation, yet such a movement is in keeping with the history of Dome. In the past when there has been every reason to expect that the stock would go up it has gone the other way and when there was no apparent reason for activity was the time it has been most active. Some have said that the way to play Dome in the market would be to do just the opposite to what common sense dictated and it would prove profitable.

About two years' ore was the last statement on Dome ore reserves, and a good half year has gone since then. There have been no reported finds since then and yet Dome is spending some $60,000 erecting a new tailings wall for the storage of tailings from the mill. Inside the present wall there is still much room. This would indicate that they can see big things for Dome yet. The present work is designed to get over into Dome Extension ground. The impression has gone abroad that this area is disappointing. "Is it?" asked one engineer familiar with the camp. He made the point that Dome worked out only one slope in that area. Also if it was so disappointing why was Dome trying togather in additional ground to the East, Goldale Goldfields Dev., and there is a rumor that it already has the Edwards claim.

Dome is also trying out a new process to treat tailings which will be very profitable if it proves to be commercially feasible. It will take another three months at least to give a definite answer one way or another.

Vancouver Exchange Exceedingly Active

VANCOUVER, B. C.—Market has been exceedingly active, Premier opened at $2.29 and sold down to $2.25, closing $2.28 to $2.30. Home Oil, 2.18 to 2.20. Porter Idaho sold at 24, closing 23 to 24. Dunwell opened at 5, sold down 10 points to 41, closing 40 to 42 on sales of 4,100 shares.

Waghorn Gwynn & Co., announce the transfer of their mining and general stock-broking business to a new firm under the title of Lennard, Poisson and Waghorn Ltd., with offices at 517 Granville St. The new company will be under the presidency of Sir Henry Lennard, Bart., and will continue under the management of C. R. Poisson, late of Waghorn, Gwynn & Co. The other directors will be Col. H. S. Tobin, D.S.O., of Pattulo and Tobin and S. H. F. Lennard, late of Waghorn Gwynn & Co., Ltd. This firm will have a direct private wire connection with E. A. Pierce & Co.

GREAT EFFORT TO PUT DOMINION ON WORLD'S OIL MAP

Intensive Development Going on Greatest Since Days of Petrolia

OUTLOOK ATTRACTIVE

Large Number of Structures Defined and Considerable Success Met With

By JOHN NESS,

Imperial Oil Official, in Imperial Oil Review.

Whether the recent encouragement extended to the seekers for oil in the Dominion of Canada will result in an influx of outside capital, and whether the more prominent world oil interests will now make haste to reap where others have sown, it remains a fact that, for the last decade, the search has been conducted by only two groups; first, the individuals with large vision and little credit, and, secondly, Imperial Oil Limited with both vision and capital.

The never-say-die spirit of the former and the painstaking, scientific efforts of the latter are now bearing fruit, and Canada, in her Diamond Jubilee year, enjoys a phase of intensive oil development that has not been paralleled since the birth of the petroleum industry brought prosperity in the "Sixties."

It is roughly estimated that some nine million dollars have been spent on legitimate wild-catting in the Western Provinces and, of this vast sum, Imperial Oil has expended at least two-thirds in comprehensive geological surveys, leasing and purchase of acreage and the drilling of test wells at widely separated locations, many of them difficult of access and far removed from sources of equipment supply.

Kept Drawing Them On

Many a time it has seemed that the game was not worth the candle, but the striking of a stray oil or gas sand, or the discovery of still another untested structure, has been sufficient to spur the operators to renewed efforts in view of the tremendous significance which an adequate domestic petroleum supply would have on the industrial growth of the Dominion.

These endeavors have brought about recognition of the fact that Western Canada has probably five separate and distinct petroleum areas, each with its particular problem and promise, these being the Mackenzie River Valley, the McMurray Tar Sands, the Foothills Belt, the Sweetgrass district and the Plains area of Alberta and Saskatchewan.

The operations of Imperial Oil have demonstrated that, in the Mackenzie region, there is at least a limited area where wells of moderate production may be counted on, and, whilst, under existing conditions, the field cannot be economically developed, the fact that successful drilling has been accomplished may have an ultimate bearing on the opening up of that vast area, and prove a valuable asset to posterity.

Alberta Tar Sands

The McMurray Tar Sands have been widely advertised as one of Nature's most lavish displays of bitumen and inventive genius has not been slow to accept the challenge which the extraction of the oil content from these sands presents.

Given some economic method of recovery and in view of the revolution in refinery practices which the introduction of cracking has brought about, one feels safe in assuming that the Tar Sands will yet yield their quota towards Canada's needs.

The Foothills Belt has long been the Mecca of the Canadian wild-catter. The tremendous upheavals which brought the Rocky Mountains into being were equally responsible for a series of narrow parallel ridges to the eastward where rocks of bituminous antecedent were brought within reach of the drill.

Started Turner Valley

Many wells were drilled before the "Calgary Petroleum Products" met with moderate success in the Black Diamond field and, unknowingly, laid the foundation for the more pretentious achievements of the present day.

Apart from some sporadic drilling at widely separated localities, the Sweetgrass area received little attention until brought into prominence by the development of the Kevin Sunburst field in Montana.

The main Sweetgrass structure lies south of the 49th parallel but careful instrumental surveys have established more or less definitely the presence of localized domes on the Canadian extension of the arch. On some of these

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MUCH ACTIVITY IN KAMISKOTIA; MUCH DEPENDS ON HOLLY

Jamieson, Original Staker, Finances New Operation from Hollinger Payments

A number of new and important discoveries are reported to have been made in Kamiskotia area. A great deal of work is going on with the Hollinger effort as the centre of attention. McIntyre is reported to have notified the vendors of its claims that it will not go on. There is a large payment due and it is said that showings did not justify making the payment. This will surprise many as engineers who have been in the camp say that McIntyre had the lines cut ready for an electrical survey and the fact that work was stopped was thought to be for the purpose of awaiting until the Hollinger electrical survey was completed.

Hollinger shaft is being pushed down and is in ore. The general feeling is that results to date have been better than expected, but it will not be until lateral work is undertaken that a true knowledge of the deposit will be secured. Meanwhile the company has been making payments on its holdings and it is rather significant that Jamieson, the vendor of the original discovery, has started an operation of his own and expects to finanre it out of his payments from Hollinger. Meanwhile roads are in bad shape, Hollinger has been hauling out considerable supplies and has quite a quantity of coal, hay, and a cage for the shaft, waiting at the landing. The plant installed is electric, with 12 drill compressor and hoisting capacity capable of going to 1,000-ft.

The new Jamieson discovery is to the south-west of the Hollinger operation. George Gray, M.E., is a partner in the operation and surface shots have revealed a body 50 to 60 ft. wide of massine copper, pyrrhotite, pyrites and quartz. It looks as if it would carry well in gold.

Kamiskotia Exploration Syndicate, working on a 200-ft dyke of altered brecciated porphyry has cut a trench for a hundred feet across the body and it shows massive pyrite all the way. Assays show commercial gold values and a half per cent. in copper. In another section heavy zinc values were secured. There is a large swamp to the east and the operators expect that this body will be found to show improvement in the low ground.

In another section of this property a heavy gossan showing has opened up six shoots running 10 to 50-ft. wide of heavy pyrrhotite copper and zinc. In one cross section the zinc is said to have run 50 to 60 per cent. A picked sample ran $8 in gold. This is arsenical iron and zinc.

Turner Valley Companies Start a New Refinery

Vulcan, Spooner, New McDougall-Segur and McDougall Segur Exploration, Alberta oil companies operating in Turner Valley, have organized an independent refining company, Regal Oil and Refining, Calgary.

The four companies own and control a one-half interest in the refining company. The other half interest is owned and controlled by Mr. Huff and his associates, all of whom are experienced in the refining and oil business. By agreement between these groups, it is provided that each group shall at all times be entitled to a one-half interest in this company, and to elect one-half of the directors, to be with the consent of the majority of the members thereof.

Besides refining the company will retail its products also.

Disputed Claim for Sherritt Gordon Mines

In the dispute which arose between the vendors of the Sherritt Madole group, now Sherritt Gordon Mines, and the original optioners over claims purchased adjoining, a decision has been given at Winnipeg.

Mr. Justice Macdonald gave judgment in favor of the plaintiffs, J. P. Gordon, Carl W. Sherritt and Richard Madole, against the defendants, E. P. Earle, A. Fasken and W. L. Heidenreich. Accordingly the claim will be included in the holdings of Sherritt-Gordon Mines, Ltd. It is said that the case wil be carried to the Manitoba Appeal Court.

CLAIM N. B. HAD FIRST COAL MINE

Did Maritime Province Lead Continent—Question is Now Being Probed

The Historic Sites and Monuments Board of Canada now has under investigation the claim that the first commercial mining and shipping of coal in America took place from the Grand Lake coal fields of New Brunswick. It was 275 years ago; the coal went to Boston by schooner. As the bituminous seams in the Grand Lake region are near the surface, the mining of that remote period consisted merely in stripping off the surface coal.

Dr. Clarence J. Webster of Shediac, N.B., New Brunswick representative on the board, and Dr. W. F. Ganong of Smith College, Northampton, Mass., have investigated the matter to a considerable extent.

Dr. Webster is satisfied that coal had not been mined and shipped from any part of Nova Scotia at a date as early as 1652, which is about the time that the New Brunswick coal went to Boston. The only section of the continent which might have had earlier commerce in coal would be Pennsylvania, and that possibility is being investigated.

The trade in coal between Grand Lake and Boston was international even at that time as Acadia was under French rule and Boston under British. Between wars a brisk commerce was carried on.

If the fact of the earliest mining and shipping of coal is established, a suitable monument will be erected by the Historic Sites and Monuments Board at Minto, N.B.

MINING STOCK QUOTATIONS

Week Ending Sept. 13

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close Sept. 13	Sales for wk.	Range 1926 High	Range 1926 Low	Range 1927 High	Range 1927 Low
Abana	1	....	....	3.50	3.15	3.30	5700	....	....	4.00	.20
Aconda	1	....	....	28	23	28	86900	....	....	45	14½
Afton	.	....	....	1.05	1.05	1.05	550	....	....	1.05	1.00
Allied M.	1	....	....	....	....	....	....	....	....	5.51	2.70
Al. C. M.	.	....	....	....	....	....	....	....	....	4.59	3.01
Amos	.	....	....	....	....	....	....	....	....	56	15
Amulet	1	....	....	5.08	4.50	4.88	400115	2.89	.90	5.62	.85
Algonquin	1	....	....	2⅜	2½	2½	51100	6¼	1¼	5¼	2
Apex	1	....	....	2	2	2	1000	6	2¾	3½	1
Area	1	....	....	82	54	55½	122795	1.55	.21	1.95	.25
Argo. Con.	1	....	....	37	34½	36	149720	67	18½	59	25
Atlas	1	....	....	4¼	3	4	142900	5	1⅜	7	2
Archean	.	....	....	....	....	....	....	....	....	18	17
Ajax	1	....	....	....	....	....	....	....	....	39	6½
Bard	.	....	....	....	....	....	....	....	....	1.59	.25
Baldwin	1	....	....	2½	1½	2⅜	13500	6⅞	1	4¾	1
Barry Holl.	1	....	....	49½	35½	49	443875	1.00	.21	1.00	.25
Beaver	1	....	....	1.77	1.55	1.67	96300	.99	.51	1.77	.61
Bellellen L.	1	....	....	....	....	....	....	23½	20	23½	3
Bidgood	1	....	....	26	21	24½	206125	9⅜	4½	26	5
Boischatel	None	....	....	5¾	5	5	94550	....	....	27	3
Boston Creek	1	....	....	....	....	....	....	7½	2½	¾	½
Bourlamaque	1	....	....	....	....	....	....	1.45	1.02	1.53	.3
Buckingham	1	....	....	5	4⅜	4½	21500	7¾	2	9½	3
Bunker H.	10	....	....	....	....	....	....	....	....	104½	75¾
Brit. Unit	.	....	....	88	80	88	14900	....	....	88	76
Can. Lorrain	1	....	....	12½	12	12½	11200	93	57	72	10
Capitol S.	1	....	....	18	17	17	13300	48½	24	34	15½
Capitol R.	.	....	....	20½	16½	17	130200	43	26	54½	10
Cen. Manitoba	1	....	....	2.00	1.93	1.97	104951	....	....	2.10	1.07
Castle Tre.	1	....	....	70½	69	70½	24300	1.85	.91	1.29	.61
Chaput H.	1	....	....	12	9	11	57400	22	3⅛	13¾	4⅜
Clifton	1	....	....	....	....	....	....	6½	1	3½	½
Col. Kirk.	1	....	....	3¼	3	3¼	110500	6¾	2	6	1½
Coniagas	5	....	....	4.95	4.50	4.90	915	4.85	3.00	5.05	3.20
Coniaurum	5	....	....	4.20	4.00	4.10	3857	4.60	3.00	4.30	2.80
Cons. Smelter	25	10+5	1.04	244½	234	235	3294	265	177¼	264	215
C. W. Dome	1	....	....	5	4½	5	12800	29¼	14	19	4
Corona	1	....	....	16¼	13	13½	354100	37½	20	37	10
Copper Hill	1	....	....	62	61	62	28000	....	....	62½	47
Comm. Mines	.	....	....	....	....	....	....	....	....	1.50	.71
Crown Res.	1	....	....	16¾	12	15	119911	24⅜	8	16¾	7
C. American	.	....	....	1.30	1.26	1.30	6600	....	....	1.30	1.25
Coast Copper	5	....	....	15.00	15.00	15.00	490	....	....	22.00	9.75
Cap. Sul.	.	....	....	1.00	1.00	1.00	100	....	....	1.00	1.00
Davidson	1	....	....	....	....	....	....	3	1½	3	1
Destor	.	....	....	25	25	25	500	41	40	43	25
Dorion	1	....	....	....	....	....	....	....	....	4.00	1.02
Dome Mines	None	$1	10.41	11.00	8.50	9.60	27393	20.00	8.00	11.00	6.75
Don Rouyn	1	....	....	27	21	24	30650	61	25	56½	17½
Dupuy	1	....	....	60	40	60	91340	....	....	60	9
Duprat	1	....	....	6¼	5½	5½	9000	35½	8½	34½	5½
Dubec	.	....	....	1.48	1.10	1.45	35250	....	....	1.48	.35
Dom. Lead	.	....	....	1.73	1.63	1.73	8500	....	....	1.73	1.05
D. Kirk	1	....	....	11½	8½	11	120000	....	....	11½	1½
Duprat new	.	....	....	12½	11	11½	104900	....	....	21	11
Dunwell Mines	1	....	....	....	....	....	....	....	....	1.51	1.50
Eastern Metal	1	....	....	....	....	....	....	....	....	18.25	10.00
East. Que.	.	....	....	2.75	2.40	2.75	11100	....	....	2.75	2.00
Everett	1	....	....	1¾	1½	1¾	3000	12¼	3¾	5½	1¼
Fiske	1	....	....	9	8	8	1700	....	....	30½	5
Fisher, Que.	1	....	....	2.20	1.89	2.10	53680	....	....	2.20	.50
Goldale	1	....	....	34	31	33½	23845	43	24	35	20
Gold Hill	1	....	....	31	26½	27	163398	73½	25	54	22
Gold Reef	1	....	....	....	....	....	....	5	1	2½	½
Gifford	1	....	....	....	....	....	....	....	....	1¾	1
Gladstone	10	....	....	....	....	....	....	....	....	29	14
Grover Daley	1	....	....	18	15	15¾	113750	32	18	37	8
Gold Ore	.	....	....	2.45	2.15	2.45	24250	....	....	2.45	.90
Harvie Exp.	None	....	....	14.00	12.50	13.95	2670	....	....	16.10	12.00
Hillcrest	100	6	10.00	....	....	....	....	65	55	65	60
Hillcrest, pref.	100	7	8.43	....	....	....	....	83	79½	87	83¼
Hill Top	1	....	....	10½	9	9½	26200	31¼	20	24	6½
Hollinger	5	26	7.23	18.30	16.40	18.15	37076	21.00	16.75	22.65	16.40
Howey Gold	1	....	....	94	82	84	100100	....	....	94	42
Huron	.	....	....	....	....	....	....	....	....	1.09	1.02
Indian	1	....	....	11	8½	10	4900	14½	2¾	12	4
Int. Nickel, c.	25	$2	3.07	67⅛	64	65¼	20603	46	32¼	75	38
Jay Copper	1	....	....	....	....	....	....	1.10	.73	1.26	.30
Keeley	1	24	....	.80	.71	.76	24240	1.90	1.39	1.66	.70
Keora Mines	1	....	....	2	2	2	7500	22	11	12½	2
Kirk. Hunt	1	....	....	25	18	18	110850	34	8½	35	10
Kirk. Lake	1	....	....	2.55	2.09	2.22	396565	1.44	.69	2.55	.82
Kamiska	.	....	....	....	....	....	....	....	....	10.75	7.62
Kamiskotia R.	.	....	....	....	....	....	....	....	....	10.80	10.25
Kirk. G.B.	1	....	....	1.29	1.00	1.00	14900	....	....	1.29	.75
Lake Shore	1	40+10	2.07	24.95	24.45	24.60	14379	16.15	9.50	25.04	15.40
Lakeside L.	1	....	....	1	1	1	13500	10	1⅛	6	¼
Laval	1	....	....	43¼	38¼	40	299650	45¼	21	59	19½
La Rose	1	....	....	10	8	8	700	39	4	12	3
Lorrain, c.	1	....	....	1½	1½	1½	2000	15	2	3¼	1
Lorrain T.L.	1	....	....	60	60	60	1000	1.10	.30	.86	.25
Lucky Jim	.	....	....	....	....	....	....	....	....	21	20
Laurier	.	....	....	65	64½	65	3160	....	....	65	61
Mentor	10	....	....	....	....	....	....	....	....	12.60	12.00
McDougall	.	....	....	86	61	64	261100	....	....	88	17
Marclay	1	....	....	....	....	....	....	35	30	42	34½
M'tchatell	1	....	....	28	23	24	165650	....	....	42	23
Macassa	1	....	....	35	29¼	32½	60350	43	22	37	18
McKinley	1	....	....	16	15	15	11510	26	8½	18	11
McIntyre	5	20	3.80	27.25	26.00	26.90	7977	29.75	22.70	27.50	24.00
Millcrest	1	....	....	4½	3¾	4	47800	21½	3½	6¼	3¾
Mining Corp.	5	25	....	3.25	3.03	3.10	10945	4.45	2.60	3.65	2.90
Moneta	1	....	....	15½	15	15	2800	18	11	15½	8¾
Montreal Rouyn	1	....	....	22	19	22	34100	60	13	33	10
N. A. Dev.	.	....	....	40	30	40	2400	....	....	2.10	.30
N. A. Lead	1	....	....	....	....	....	....	1.75	1.50	2.75	1.00
Noranda	None	....	....	24.65	24.00	24.55	26914	24.75	12.00	25.00	19.95
Newray	1	....	....	....	....	....	....	45	31	40½	18
Night Hawk	1	....	....	5½	5	5½	15500	17	3¼	10½	4½
Nipissing	5	6	5.00	6.55	5.45	6.25	18680	9.25	4.95	10.30	5.25
Ophir	1	....	....	2¼	1½	2	3500	4¼	½	4⅜	¾
Ontario L.C.	.	....	....	....	....	....	....	....	....	1.30	1.03
Osisko	.	....	....	54	43	50	1010	1.94	1.05	1.75	.35
P.L. Cobalt	1	....	....	5½	4½	5	4000	32	14½	18	2
Porc. Crown	1	....	....	8	6	6½	48250	12	4	11	3
Prec. Metal	1	....	....	....	....	....	....	....	....	22.00	20.00
Pioneer	.	....	....	60	53	60	44850	1.22	.66	1.18	.53
Premier Gold	1	32c.	13.90	2.40	2.30	2.30	12895	2.75	1.83	2.50	1.86
Preston	1	....	....	5½	4	5	38800	9⅞	4	7	3
Potter Doal	None	....	....	20¾	13	16	697190	....	....	65	10½
Power & Mines	.	....	....	....	....	....	....	....	....	1.70	.75
Que. Pros.	.	....	....	....	....	....	....	....	....	6.00	2.00
Rouyn C.	1	....	....	....	....	....	....	....	....	4.28	2.50
Rouyn	1	....	....	4	4	4	25100	9	1⅞	5	1
Rouyn, Que.	1	....	....	3¼	3	3¼	3500	4½	1¼	4⅜	1
Ribago	1	....	....	36¾	31½	33	231280	....	....	87	13
Rouyn K.	.	....	....	1.10	1.07	1.10	8000	....	....	1.10	.73
Rubec.	.	....	....	2.80	2.60	2.80	37975	....	....	2.80	1.10
Siscoe	1	....	....	35	30	31	6500	....	....	60	12
South Keora	1	....	....	4½	4½	4½	500	35½	5	54½	4½
Stadacona	None	....	....	22	19	19½	133178	51	40	55	15
St. Anthony	1	....	....	41	35	37	28200	....	....	50	10
Sylvanite	1	....	....	4.00	3.75	4.00	9260	....	....	4.30	2.60
Sud Basin	.	....	....	4.00	4.00	4.00	900	....	....	4.00	4.00
St. Law Zinc	.	....	....	....	....	....	....	....	....	82	72
Teck Hughes	1	10	1.07	9.55	9.20	9.30	74972	5.55	2.65	9.57	5.15
Timiskaming	1	....	....	5	5	5	500	15¼	6	7	4
Thomp. Krist	1	....	....	....	....	....	....	3½	1	1	½
Tough Oakes	1	....	....	35	27	33	130400	66	36	62½	25
Towagmac	1	....	....	5.00	4.70	4.75	41368	6.10	3.15	5.75	2.85
United Cap	.	....	....	....	....	....	....	....	....	5.32	3.00
Trojan	.	....	....	7.60	7.00	7.55	3240	....	....	8.60	4.00
Vic. Silver	1	....	....	3	2½	2½	3000	96	3⅛	14	2½
Vickers	1	....	....	82	78	78	6200	1.22	.13	1.52	.25
Vipond	1	....	....	59¾	57	59¾	33641	2.02	1.49	1.75	51
Wakenda	1	....	....	1½	1½	1½	500	2¾	1	5	1
Wasapika	1	....	....	1½	1¼	1½	7000	4	1	2	1
West Tree	1	....	....	3	3	3	2500	....	....	4	1
Wettlaufer	1	....	....	3	3	3	2000	10	2	4¼	1½
Wright Har.	None	20c	2.64	7.75	7.40	7.55	79670	....	....	7.85	5.50
Vac. Gas	1	....	....	7½	7½	7½	1500	....	....	26	3
W Dome Lake	.	....	....	10¾	8	10½	11350	....	....	13½	8
Wiltsey C.	1	....	....	....	....	....	....	....	....	50	50

Rochester Interests Back New Company

Woman Red Lake Syndicate has sold its Woman Lake and Narrow Lake groups to a company to be called Rand Ore Mines. It will be capitalized at $3,500,000 and there will remain $2,000,000 in the treasury, the balance being paid to the syndicate. It is understood that Rochester interests are behind the new company and have underwritten a sizeable block of the treasury shares to launch operations. The Woman Lake group is known as the Powell and the Narrow Lake is known as the Campbell and adjoins the Duncan. Free gold has been found on both properties.

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Mine Congress Delegates Were Favorably Surprised

Had No Idea That Operations Were on Such Scale as They Are, Says U. S. Editor

"It has visited the Sudbury district, source of 90 per cent. of the world's nickel; the Cobalt and South Lorrain silver areas; Kirkland Lake, fastest-growing gold camp in the world; and Porcupine, second only to the Rand among the gold-mining districts of the world."

In the above criptic words, dealing with the tour of Empire Mining Congress through Northern Ontario, A. B. Parsons, associate editor, Engineering and Mining Journal, New York, gives one an idea of his impressions. He found that the tour of Northern Ontario mines was an eye-opener to the great bulk of the delegates. He says:

"Ontario more than lived up to the promises made for it in Montreal and Toronto. I have talked to a large number who had never been in Canada before, and the impression I gain is that most of them were favorably surprised. They had heard of the Hollinger, of course, but they had not seen in their mental picture so large an enterprise, nor one so splendidly equipped from the bottom of the mine to the new refinery—which incidentally is the last word in the treatment of gold-cyanide precipitate. As to the other mines—the gold mines in particular—there was no very clear conception in the eyes of many of the visitors. To put it mildly, they were astonished at what they saw. The new McIntyre shaft and hoisting installation won praise and admiration from engineers from all over the world. Another eye-opener to most was the type of new cyanide plant as represented by the latest addition to Teck-Hughes treatment plant, and by the smaller but equally substantial and modern installation at the Sylvanite property. Indeed, Kirkland Lake as a whole created an especially favorable impression.

Electrical Prospecting Now Gaining in Favor

(Continued from page 25)

the long axis of the needle at right angles to the magnetic meridian, this vertical component is directly due to anomalies produced by magnetic deposits.

Local variometers are used for more delicate work, particularly the Adolf Schmidt type. To measure the variations of the horizontal intensity a needle is swung on a quartz knife edge, so that it stands vertically under the influence of movable compensating magnets. Deviations from this position are read by means of a spot of light reflected on a scale by a mirror fastened to a needle.

Variations in vertical intensities are obtained by a similar device, but with the needle lying horizontally.

Vertical intensity is at a maximum over a magnetic mass (of S polarity in the N hemisphere) whereas the horizontal intensity and inclination show their maxima of variation near the edges.

For all delicate work correction must be made for local and temporal variations.

A second natural property, not depending on the creation of an artificial field of force is that of mass and is measured by the pendulum, or by the Eotvos torsion balance.

Employed 40 Years Ago

The torsion balance bearing his name was used by Baron von Eotvos, professor of physics at the University of Budapest, in 1887, to amplify and extend gravitational surveys. It was a modification of the Coulomb torsion balance, in use in scientific laboratories since the eighteenth century to investigate gravitational and electrical attraction. The advantage of the Eotvos machines is its astounding sensitivity, and the fact that instead of measuring the total gravitational field, thus showing variations only as small differences between large values, it measures the variations directly as the actual small differences. The sesitivity of the instrument is so great that extreme care must be taken in preparing the "set up." The ground must be leveled for several yards around it, and the presence of trees, ditches, etc., must be rigidly avoided. The minimum force which the instrument is able to measure is represented by the weight of half a millimeter of a wire reaching from the earth to the moon and weighing in all but one gram!

Briefly, the balance consists of a beam, suspended at its middle by a fine wire, which is free to rotate in a horizontal plane about this point of suspension. The beam is accurately counterbalanced by a weight at either end, one attached directly to the beam, and the other suspended by another wire from the opposite end.

Ordinarily the direction of the earth's gravitational field at two neighboring points is thought of as being represented by parallel lines. Such is not the case ordinarily, and the field acting on the attached weight is not parallel to the one acting on the suspended weight, especially if there is an important disturbing mass nearby.

This angularity of direction produces, of course, a horizontal component exerting a torque upon the beam system. As a result the system revolves a minute amount until the torsion in the first-named suspension wire balances the torque. This twist is recorded photographically.

The balances are made with two parallel beams, oriented in opposite directions, thus making each reading a double one. About an hour is required for a reading. Since readings must be taken in three azimuths or more, over three hours are generally required for a station. Hence, with the time necessary for dismantling, transporting and setting up in a new position, it is seldom possible for an instrument to make more than three stations per day.

Located Salt Domes

Great precautions must be taken to protect the instrument against temperature changes, radiation, etc., and the presence of disturbing masses.

The field of application of this method of geophysical research lies in the study of large masses, not too deeply buried, of density different from the surrounding terrain.

Salt domes have been located by the balance, both in Europe and the Gulf Coast oil field of the U.S. The salt core, having a lesser density than the rocks it intrudes, produces a gravitational attraction abnormally low, with the horizontal component directed away from the dome. In the case of a dense cap-rock on top of the dome, the reverse is the case, the more massive material being nearer the surface, and completely obliterating the effect of the deeper salt. Depth plays an important role in torsion balance work, and its usefulness at depths greater than fifteen hundred feet is often questionable in the search of salt domes.

Where tectonic disturbances, such as folding into anticlines and synclines, or faulting have brought formations, possessing a density markedly different from the enclosing strata, abnormally close to the surface, such folds and faults may be traced in favorable cases. The same applies to old valleys buried beneath later alluvium.

Ore bodies consisting of heavy minerals, such as the sulphides, iron carbonate, etc., have also been studied in a very few cases.

The method suffers from the many disturbing elements which may enter into the data, and which should be corrected. This can be done when the causes are visible, such as surface irregularities. But a boulder in glacial till may throw the readings completely off, as will an old, irregular erosion surface that is but thinly covered. Also, in a region of tectonic disturbance, (folded regions, etc.), the balance is ordinarily useless, the phenomena being too complicated.

Other methods using naturally created phenomena are those depending on radioactive measurements, and on observations on the variations in temperature within the earth's crust (geothermic readings). These are of such limited application that there is no point in discussing them here.

Seismic Measurements

The problem of geophysical prospecting by artificially induced effects can best be introduced by discussing the Earth Wave travel, or Seismic method. Most people are aware in a general way of the "modus operandi" of seismographic observations. Sudden dislocations in the earth's crust send out vibrations or waves which travel around and through the globe. Differences in elasticity between crust and core produce refraction of these waves, altering their courses and times of arrival at a given distant point.

The waves are recorded by the relative agitation they produce between a pendulum of great inertia and a recording cylinder. Levers are used to magnify this relative motion, which is marked on smoked paper in the form of wavy lines.

There, in brief, is the seismic method. Minature earthquake waves are created by setting off a charge of dynamite. Seismographs are set up around this point, up to ten miles away, and the arriving waves recorded photographically.

As the earth's crust is notoriously heterogenous, the waves are altered by the varying elasticities and densities of the rocks through which they pass. A formation of a given rigidity will have a definite effect on the speed of a transmitted wave. The vibrations will undergo refraction, reflection, retardation or acceleration, according to the physical properties of the transmitting media. These changes will be recorded at the observing stations. A study of the character of the waves and of the times of their arrival enable the geophysicist, in many cases, to deduce conclusions about the subsurface geology.

By this means, faults can be traced, as well as contacts between different strata and between alluvial and bed rock. The method has had especially wide application in the search for salt domes in the Gulf Coast field, replacing almost entirely the Torsion Balance in that region.

Recent developments there indicate that the method can be applied to exploration at very great depth, and that deep-seated domes can be successfully located.

The study of seismology has not yet arrived at a point which will permit of a standardized procedure in this method, and much remains to be done. A geological study must go hand-in-hand with the wave study, or erroneous conclusions may be drawn. To mention but one point, the moisture content of rocks affects their rigidity, and hence their transmission of earth tremors.

A modification of this procedure was developed with much success by Fessenden. Instead of dynamite a sound-producing device is used, and as receivers, a series of microphones.

The widest application of the study of artificially applied fields lies in the domain of electricity. The flexibility of electrical methods is their great advantage, due to the ease with which the strength of the applied field can be varied within wide limits.

Start of Electrical Prospecting

The first successful study of an artificially created electrical field in prospecting for ores was made by Prof. Conrad Schlumberger of the Paris School of Mines about 1912. He investigated both direct and alternating current for the study of the electrical conductivities of geological formations, and decided on the direct as holding the greatest possibilities. He patented the principles of his methods in 1912.

The following year experiments of the same nature with alternating current were described in Sweden, but not until 1918 was any considerable success attained with this method when Lundberg and Nathorst developed their idea of "linear electrodes" for passing alternating current into the ground.

Whether alternating or direct current be used, the efficacy of the methods depends upon the difference in electrical conductivity between ore and country rock, or between one geological formation and another.

When an electrical current is passed through an ideally homogeneous medium, its distribution is in accordance with known laws. As before mentioned, the earth is not homogeneous, and therefore, the distribution of the current is irregular when the transmitting medium is the rock of the crust. These perturbations of current distribution must be observed, studied and interpreted in order to deduce the character of the disturbing medium.

The first successful procedure worked out to accomplish this was the study of the equipotential surfaces and curves, as devised by Schlumberger, When a current is passed between two contacts in any medium, homogeneous or not, there is a flow of current from one point to the other, and this produces a fall of potential between the two above mentioned contacts. All points at exactly the same potential with respect to one of these contacts constitute an imaginary surface living within the medium, and called an "equipotential surface." The trace of the intersection of this surface with the surface of the earth, i.e., its "outcrop," is an "equipotential curve." When the terrain is homogeneous these surfaces and curves are perpendicular to the direction of current flow and their form is known "a priori."

The equipotential surfaces remain regular only as long as the ground is homogeneous. When distinct differences in conductivity occur, irregularities appear in these surfaces, they being repulsed by conducting bodies and crowded together in resistant ones.

How It Is Accomplished

This spreading or crowding is studied at the surface of the ground by tracing the equipotential lines.

In the Schlumberger method this is accomplished by means of a potentiometer and two specially designed "non-polarizing" electrodes, used as a "searching circuit." The electrodes shunt off some of the ground current, which then passes through the potentiometer, where its voltage is measured. When no potential is recorded, the two electrodes are on the same equipotential line.

The presence of a highly conducive mass, such as an ore body, distorts the equipotential lines, even if the mass be buried several hundred feet deep. When it is realized that sulphide ores are usually 1,000 to 100,000 times better conductors than ordinary rock and soil, the great effect produced by an ore body is readily appreciated.

As a result of the experience of over a decade and a half a great many refinements and additions have been made in the use of the direct current, or Schlumberger method, which now make it applicable to a far greater variety of problems than would be the case were it confined to equipotential observations only. Unfortunately, at the present time the theory behind these power developments cannot be made public.

Amongst the geological problems to which direct current is particularly applicable are the following: (a) Study of the trend of bends in tilted formations, lying beneath overburden; (b) General study of concealed anticlinal and synclinal folding; (c) Location of faults, their strike and dip; (d) Determination of the exact shape and size of a conductive ore body and of the depth to it; (e) Use of drill-holes in the study of intersected formations (their dip, outcrop, and so forth); (f) Exploration for oil and location of salt domes.

The study of these artificial direct fields has been or is being used successfully in France, Roumania, Spain, Italy, Servia, Poland, Africa, the United States and Canada.

In the Lundberg-Nathorst method, developed about 1918, instead of passing the current between the two distant points, it is passed between two long parallel, bare wires, laid on the surface of the ground a certain distance apart. The equipotential lines between these two "linear electrodes" are straight lines parallel to them. These lines are traced by means of shunting off a portion of the earth current through a telephone. When no sound is heard in the receiver it means that the two contacts, shunting the current off, are at the same potential.

Success in Sweden

In this as well as in certain applications of the direct current method, the perturbations of the equipotential lines are noted.

Electro-magnetic methods began to attain successful use beginning with Sundberg's work in Sweden in 1921. In these systems a secondary current is caused to flow in a conductive mass, such as an ore body, and the resulting electro-magnetic disturbances caused thereby are studied. The current can be caused to flow in one of three ways—inductively by means of closed loops or insulated wire, galvanized by direct transmission through the ground, and capacitively by antennae of bare wires insulated from the ground.

The inductive method only will be considered, as there is no fundamental difference between it and the second method mentioned, and these two have had probably wider application than the capacitive one. A high tension, alternating current is passed through a loop of insulated cable, laid on the ground in a rectangle several hundreds of feet on a side. The electro-magnetic field created by this current will induce secondary currents in any nearby metallic conductor, such as an ore body.

The study of the total resultant electro-magnetic field is then carried out by means of small coils of wire, moved from place to place, in which this resultant field generates a current. By this means the vertical and horizontal components of the electro-magnetic field are determined, the vertical being at a maximum over the centre and the horizontal over the edges, of a conductive ore body. A sulphide mass may thus be outlined with considerable accuracy, provided it is not too deeply buried.

Finally, the simplest method of geophysical prospecting is the one known as "Spontaneous Polarization," in which naturally generated electrical currents are the phenomena studied.

This procedure is entirely different from the ones just described, and is the most direct means of utilizing electricity in prospecting for metallic ores.

Has Many Successes

Briefly, the chemical action of ground water upon sulphide minerals results in the generation of a weak electrical current, which is usually about one hundred times stronger than the universally observable tellurric, or earth currents.

The method depends on a systematic exploration of the ground with the two non-polarizing electrodes and a potentiometer to detect, measure, and note directions of these currents. They usually flow towards the body at the surface of the ground, and the points into which they seem to be concentrating, called "negative centres," are located. About these points equipotential curves may be drawn (as in the direct current method), which will outline the horizontal projection of the upper part of the body. Measurements of potentials are made which, when properly mapped, indicate roughly the strength of mineralization, width of body, and depth of over-burden.

The method of "spontaneous polarization" exploring is particularly well adapted to mining conditions. The lightness, ruggedness, and simplicity of the apparatus make it easily transportable anywhere, and the rapidity with which ground is covered make it a truly "prospecting" method, to be used where varying thicknesses of overburden hide the valuable sulphide ores.

It has not been the purpose of this paper to attempt a comprehensive or thorough discussion of geographical prospecting. To accomplish this would require a display of formulae calculated to affright all but the most hardened mathematician. The end in view was merely to give a perspective of the subject, comprehensive to a person with ordinary technical information, and to point out its perfectly logical development from preexisting procedures.

Each method of prospecting has its peculiar uses and limitations, and each is capable of solving many geological problems. Whether or not a given puzzle is solvable by geophysics, and if it is, then what method is best, are questions to be answered only by the reputable members of a new and fast-growing profession,—the geophysicists.

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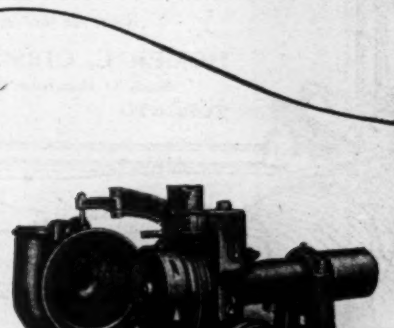

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GREAT EFFORT TO PUT DOMINION ON WORLD'S OIL MAP

(Continued from page 25)

gas wells have been brought in, and the completion of the Devenish well, near Skiff, as a producer of heavy gravity oil has given a distinct fillip to further exploration.

The Plains area has long been noted for its prolific gas-fields, Medicine Hat, Bow Island, Foremost and Viking supplying numerous Albertan cities with that most desirable and economic medium of domestic and industrial light, heat and power.

So far, however, oil has not been recovered to any appreciable extent, although the Fabyan-Wainwright area has yielded heavy crude and, on the Ribstone structure and in the Bow Island field, showings of oil were manifest in deep tests.

Having briefly reviewed the broad lines along which the search for Canadian oil is being prosecuted, we wish to direct particular attention to the operations of Imperial Oil, Limited, which have been largely responsible for keeping alive the zeal of the oil fraternity and have, to a certain extent, focussed their attention and centralized their efforts on these areas which seem most likely to reward development.

Imperial Oil Effort

Being convinced that one of Canada's clamant needs was for a petroleum supply within her own confines, and considering that the Western Provinces offered the greatest promise of success, Imperial Oil flung a well organized geological staff into the field in 1919, and scoured the Foothills from the International Boundary to the Peace River, the Plains as far eastward as mid-Saskatchewan and the fastnesses of the great Mackenzie basin.

Particular attention was devoted to those areas where pioneering oil men had already scratched the surface of Alberta's potential fluid resource and no stone was left unturned in the endeavor to secure a broad conception of the probabilities and possibilities of the vast region taken under review.

Numerous Test Wells

Following on these preliminary investigations more detailed examinations were carried out in the succeeding years and numerous test wells were drilled where structural conditions seemed indicative of possible accumulation.

Many of these wells were negative in their findings or succeeded in obtaining dry gas only, as at Pouce Coupe, Fabyan, Deadhorse Coulee and Erickson Coulee, where substantial "gassers" await what will probably be a long delayed demand for their product, as the first mentioned is situated in a sparsely populated area, whilst the others are in districts whose needs are already provided for.

The high lights of the "Imperial" programme, however, have been confined to the far North and the extreme South, the Fort Norman adventure appealing to the public fancy and the Turner Valley operations being responsible for a revival of interest in, and a more optimistic opinion concerning, Canada's future status in the league of oil-producing nations.

Fort Norman Success

Two wells, each with a capacity of about 100 barrels per day, were completed at Fort Norman, but the drilling of several dry holes showed the productive area to be circumscribed and the calibre of the successful wells did not warrant the tremendous expenditures which would have been entailed in bringing their output to the market.

A great deal of leasing and some little drilling followed the Imperial's success, but nothing noteworthy was accomplished and the lone derricks of "Discovery Nos. 1 and 2" stand remote in the Arctic silence as a monument to that initiative which is the prime essential of successful petroleum development.

After several disappointments in the Foothills Belt Imperial Oil eventually entered the Turner Valley through their subsidiary, the Royalite Oil Company, which acquired a controlling interest in the "Calgary Petroleum Products," the pioneers in that field.

Wonder Well Comes In

An up-to-date and highly efficient absorption plant was built to handle the wet gas from the two existing wells, whilst steps were taken to complete a third well then drilling. A ready market was found for the stripped gas with the company holding the Calgary franchise and the drilling of a fourth well embarked upon, designed to test the lower strata and establish the possibilities of the field.

Royalite No. 4, one of the wonder wells of oildom, was completed in October, 1924, with an initial capacity of 21 million cubic feet of extremely wet gas from which naphtha of 73° Beaume gravity was recovered in substantial amounts.

Efforts to shut in the well proved abortive and, after a disastrous fire had raged for eleven days, the well was put under partial control and the gas passed through Smith separators before being burned as a waste product owing to its high sulphur content (over 700 grains per cubic feet), which precluded its use in Calgary.

Eventually a scrubbing plant, using the Koppers' method of purification, was built, a new gas main was laid and Royalite No. 4 contributed the major portion of Calgary's rapidly increasing consumption during the past winter.

Royalite 4's Record

Production of crude naphtha has increased rather than diminished since the well was "brought in." This is in part due to improved methods of recovery, but the following figures indicate Royalite No. 4 as being somewhat unique.

1925	168,722 barrels
1926	200,469 barrels
1927 (first 6 months)	100,999 barrels

Being mindful of the lessons of 1914, Canada's oil fraternity followed the lead given by the Royalite development along fairly conservative lines. Wild-cat projects were not lacking, but, on the whole, an earnest endeavor was made to profit by exploitation of the field, rather than at the expense of the more credulous amongst the public.

Numerous wells were started and it is significant that, except where drilling has been abandoned because of mechanical difficulties, all wells located on structure and carried to sufficient depth have obtained production of either wet gas or oil to a greater or lesser extent.

Other Naphtha Wells

The "Royalite" horizon, a dolomitic limestone of late Paleozoic age, has yielded a similar naphtha-producing gas, although in smaller volume, in the Vulcan, Illinois-Alberta and McLeod wells; the Sentinel and McDougal-Segur wells have encountered high-gravity crude in appreciable quantities; the Home well and Dalhousie No. 5 are producing from a horizon identified as the top of the Fernie shales, the last mentioned with a probable production in excess of 200 barrels per day of 43° crude.

Many drilling wells are encountering good showings of gas or oil and the Turner Valley is probably the busiest spot in Western Canada, besides having the earmarks of a substantial wet gas field and a light gravity oil field of some importance.

Imperial Oil, through its subsidiaries, is setting the pace. Royalite Nos. 2, 3 and 4 are producing, No. 5 was abandoned owing to a crooked hole, Nos. 6, 7, 8 and 9 are drilling at various depths, No. 7 being nearest production.

Imperial Subsidiaries

The Dalhousie Co., with which is merged certain of the original operating companies in the Valley, has six wells. No. 1 is now close to the Royalite horizon, No. 5 is, as previously stated, on production, No. 6 is drilling, and the others are shut down.

A recent incorporation, the Foothills Oil and Gas Co., is preparing to test the northern portion of the field, drilling its first well on a Hudson's Bay lease.

In the Foothills Belt the Northwest Company have recently abandoned their test on the Bow River structure, to the North of Turner Valley, having apparently drilled through a fault, and, south of the Valley, are drilling at their "Highwood" location.

Imperial Oil is not meanwhile engaged in active operations in the Sweetgrass area. Their most recent completion was at Erickson Coulee, where a flow of some 10 million cubic feet of gas was procured on Hudson's Bay lands.

Further Drilling

It is probable that further drilling will be proceeded with in view of the development at the Devenish well, and the suggestion of favorable structure in the Cypress Hills.

On the Plains the Imperial tests at Burdett and Ribstone, although obtaining shows of oil, were not commercially productive, but it is possible that, on the latter structure, another test may be made.

The Fabyan well of the Imperial company, whilst not productive of more than dry gas and a showing of tarry oil, was largely responsible for the opening up of the Fabyan-Wainwright field by the British Petroleums company, who have sunk a number of wells and secured a limited production of heavy crude.

In all Imperial Oil, through its associated companies, has completed 36 wells with a total depth of 110,269 feet (some 21 miles) and has, at present, 8 drilling wells with 17,245 feet of hole, a substantial contribution towards solving the problem of Canada's rapidly increasing petroleum needs.

The following is a list of the successful completions:

Name	Location	Depth Ft.	Result
Discovery No. 1	N.W.T.	991	Oil
Discovery No. 2	N.W.T.	1,601	Oil
Pouce Coupe	N.W. Alberta	3,057	Dry Gas
Fabyan No. 1	Wainwright	2,730	Dry Gas
Deadhorse Coulee No. 1	Sweetgrass	2,797	Dry Gas
Erickson Coulee	Sweetgrass	3,575	Dry Gas
Royalite No. 1	Turner Valley	3,924	Wet Gas and Oil
Royalite No. 2	Turner Valley	3,170	Wet Gas
Royalite No. 3	Turner Valley	2,830	Wet Gas
Royalite No. 4	Turner Valley	3,740	Gas and Cr. Naph.
Dalhousie No. 5	Turner Valley	4,527	Oil

Of the unsuccessful tests 5 were in the Mackenzie region, 10 in the Foothills Belt, 2 in the Sweetgrass country and 8 on the Plains.

Has Six Refineries

Meanwhile Imperial Oil's six refineries, situated at Halifax, Nova Scotia; Montreal, Quebec; Sarnia, Ontario; Regina, Saskatchewan; Calgary, Alberta; and Ioco, British Columbia, with their total daily crude running capacity of 61,500 barrels, are mainly dependent for supplies on the Montana, Wyoming, Oklahoma, Texas, Kansas, Californian and South American fields, only some 2 per cent. of the crude oil handled being of Canadian origin.

Some satisfaction is derived from the fact that the rapidly increasing imports of South American crude are from fields developed by Canadian enterprise and Imperial subsidiaries; the International Petroleum Company in Peru and the Tropical Oil Company in Colombia.

Sixteen Vessels

In the transport of these supplies, and in "carrying" on the Great Lakes, the Imperial fleet of 16 vessels with a deadweight tonnage of 148,000 is actively engaged.

To meet the demands of Canadian industry, whether it be in the factories, the lumber camps, the mines, the wheat-fields or shipping, Imperial bulk distributing stations are dotted from coast to coast, whilst the pleasure loving motorist is catered for at service stations in cities and on highways.

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To them, as to all others interested in the final outcome, Turner Valley appears to be the handwriting on the wall.

License Travellers Mutual

The Superintendent of Insurance at Ottawa has announced that a license has been issued to the Commercial Travellers Mutual Insurance Society, to transact the business of life insurance in Canada. H. B. Hoffman, Toronto, has been appointed chief agent in Canada.

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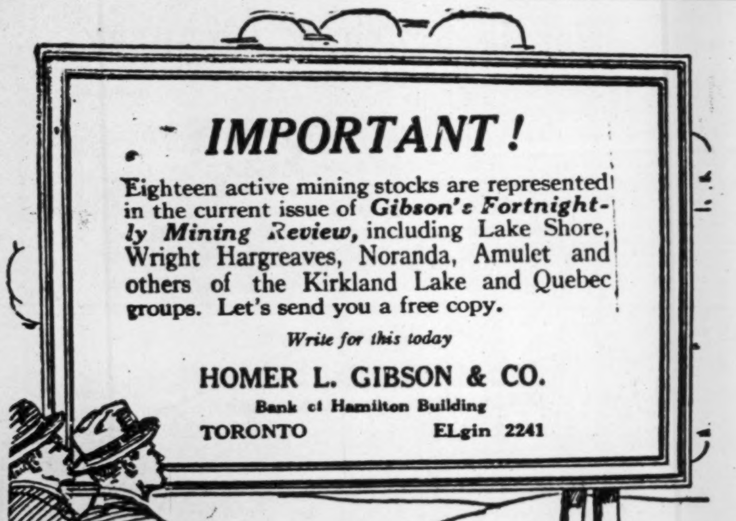

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Discovery of Quebec Deposits Resulted in Modern Demand for Products

Details of the Quebec Asbestos deposits, the most noted in the world, have been outlined by Capt. J. G. Ross, Montreal. The deposits are in Black Lake, Thedford area and Mr. Ross said that the modern demand for asbestos products of all kinds has been entirely created by the development of these deposits, since prior to their exploitation, the world's consumption of, and demand for, asbestos products was relatively trifling.

Production last year amounted to 279,403 tons of all grades, with a value of $10,009,423, and an idea of the dimensions of the mining and milling operations may be gained from the fact that during the year 4½ million tons of rock were mined, and over 4 million tons were handled by the mills. The Quebec mines supply practically the whole of the world' requirements in the lower grades of asbestos, and about one-half of the longer grades.

Capt. Ross points out that most of the balance also came from the British Empire mines, shipments from South Africa during the year amounting to 14,096 tons and including a large proportion of long fibre, of which Rhodesia is at present the world's main source. Cyprus, the only other important producing country, made an output of 6,941 tons.

There are now eight firms producing asbestos in the eastern townships, with capital totaling approximately $35,000,000, and they give employment to some 2,700 men, so that the industry is, in every way, of the first importance to Quebec and also to Canada as a whole.

It is unfortunate that, as pointed out by Capt. Ross, a very large proportion of the asbestos is exported to points in the United States in the raw condition, with the consequence that Canada loses most of the benefit that would be derived from a domestic asbestos manufacturing industry, and the advantage of the enhanced price of the finished product. It is therefore gratifying to note that this state of affairs is gradually changing, and that each year more and more asbestos products are being made in Canada, there being at the present time eignt plants engaged a long way from the forty-nine establishments so engaged in the United States.

PORCUPINE YIELD PER ACRE AHEAD OF THAT OF RAND

(Continued from page 25)

have for aeons been opening fresh fractures and thus affording additional facilities for the injection of gold, and this creative and accumulative fracturing took place during a geological epoch known as the Algoman, the latest and greatest age of gold in the pre-Cambrian. The ore deposits exploited before the discovery of Porcupine were associated with the Laurentian, a much older and less important epoch. The conditions which lead to the segregation of gold from its original magma and its concentration into workable deposits of great value to man became more favorable as the world became older. The earlier deposits were in a less fractured terrane, consequently the ore is composed of clear quartz confined within two impervious walls. And a great difficulty seems to be that during the long cycle of geologic time between the first and the last ages of gold practically all the deposits of the former period have been seriously reduced by erosion. If, as we now belive, only the roots or remnants remain there would certainly be a lack of continuance in depth.

No Others Yet Found

In the vast pre-Cambrian area there may be other lodes or replacements, but at the present there is no satisfactory evidence either in geologic conditions or by production of the existence elsewhere of the type of gold deposit which has given primacy to Northern Ontario. Copper occurs as a replacement, and in Ontario it belongs to a later epoch than the gold, and is, therefore, not covered by this article, nor do we refer to post-Cambrian formations where the elements of heat and pressure, the length of time and the horizon of gold accumulation were entirely different.

Kirkland Lake is a unit in the porphyry belt which extends to Matachewan on the west and to Pancake Lake on the east. The special fracturing in this belt is probably due to the cumulative influence of the Laurentian uplift 75 miles south and the height of land upheaval on the north.

Porcupine is the principal unit in the northern ore zone on the north side of the height of land. It is now opening up rapidly to the south-west.

Though the two ore zones of Ontario are plainly earmarked as of economic value, only a limited number of properties show the extensive fracturing and other characteristics of the producing mines.

Two Instances

It will be recalled that two experts reported little or no gold in the wall rock, in other words, no replacement at the Porcupine-Davidson, and at the Young-Davidson in Matachewan the gold is mainly in quartz veinlets in porphyry, a condition quite unlike the brecciated or fractured replacements in some other parts of that area. Though gold may be found almost anywhere in the pre-Cambrian, the idea that economic deposits are co-terminous with that ancient formation may be dismissed as an iridescent dream. Ontario's mining history and the views of prominent geologists are against such a conclusion. Basing his prognosis on replacements alone, Louis D. Huntoon says that in 1928 the gold mines of Northern Ontario will have an output greater than the United States. Already the annual production from replacements exceeds that of all the United States mines in which gold is the dominant metal.

In 1915, Cyril W. Knight, and the late Dr. Willet G. Miller, declared that so far as known all economic deposits of gold are associated with the granites and porphyries of the Algoman epoch. These scientists were then at the head of the Ontario Department of Mines, well acquainted with conditions in Ontario and the limited vertical range of the quartz-veins of the Laurentian epoch. In Porcupine and Kirkland Lake they saw replacement ore associated with the latest epoch of gold injection and coming in at such great depth below the original surface that in volume it was not impaired by weathering or glaciation. Their pronouncement was intended to remove the quartz vein from the economic column so far as the pre-Cambrian is concerned.

Replacement Favored

In 1926, Dr. H. C. Cooke, of the Geological Survey of Canada, in dealing with Quebec said, "Although many discoveries of gold in quartz fissure veins have been made not one has so far stood up under test as to seem likely to make a mine. While of course it cannot be said that none will ever do so, the facts on hand certainly point to the replacement type as the more promising kind of deposit."

In his exhaustive review of conditions in the Kenora district, E. L. Bruce points to the absence of wide spread fracturing before the period of vein filling and the consequent absence of gold in the wall rock. He shows a rapid decrease in value with depth and a limited production. All the deposits of this area are of the quartz vein type associated with Laurentian granite and gneiss. And still further swelling the consensus of expert opinion it may be said that a delegate to the Empire Mining Congress, the financial editor of the Financial Times, London, says that the Kitchener shoot of the Central Manitoba Mine has been bottomed at a depth of 375 feet. The Canada Department of Mines has little of a favorable nature in regard to gold in Manitoba, and Professor Wallace of the local University is unable to correlate its ores of gold with those of Ontario either in age or in the essential of wall rock impregnation.

Only Thought of Granites

From the roster of Canadian geologists we could not select a more imposing group than those quoted, and there is among the remainder no dissent from the view that the quartz fissure veins of the Laurentian epoch are of little or no economic value. Nor is this all that may be said of the quartz vein and its disservice in repelling outside capital. It is evident that J. M. Keynes, the British economist, knew nothing of the present producing areas and their great replacements. He had in view only the early operations in the Laurentian granites. Huntoon, who is more up to date, not only ignores the quartz vein, but differentiates in favor of the brecciated type of replacement so strongly expressed at Kirkland Lake and to a less extent at Porcupine.

If any generalized statement can be made it is that brecciation gives the richest ore and often also the largest tonnage. So far as the writer is aware, there is no brecciation in the "banket" of the Rand, though this ore is of the replacement type. The all quartz vein is also brought into unfavorable relief by the brilliant record of replacements, but all these conditions have for the present little effect on the orientation of capital.

In three provinces we are now rewriting old history. A partial explanation is found in the fact that the quartz vein has often a surface display of coarse gold in spots. Bruce shows "more gold than quartz" in one part of a small vein in Western Ontario. He shows also that after four years operation the total output was only $141,000.

An Unfavorable Fact

In times of undue excitement not tempered by knowledge, superficial gold becomes a source of quick and easy money and few have moral fibre sufficient to resist the appeal. The Northern Miner deplores the present "flood of doubtful and high priced promotions." It sees in some cases "down right misrepresentation and hokum," and vitally concerned in the success of the great primary industry of metal production it is alarmed at the fact that from 75 to 80 per cent. of the sums occasionally paid for treasury shares sold on the Exchanges is consumed in costs and never reaches the treasury of the issuing company.

Nine tenths of the current publicity in regard to mere prospects in unproductive districts is misleading in that it deals only with favorable features. Surface gold in limited quantity is the foundation for much of this publicity and the moving cause of many transactions. Hollinger employs more men, pays more for machinery and supplies and accomplishes more in the way of exploration and development than all the companies and individuals either in Manitoba, Western Ontario or Quebec. It makes 700 assays per day, and last year rolled up a diamond drill footage of 21¾ miles. But a public not conversant with the methods of real mines and habituated to daily if not hourly bulletins in regard to inconclusive happenings is beginning to think that Hollinger is slipping. But not yet. It does not live by publicity. Unfortunately many prospects have no other means of subsistence. With them an isolated assay if favorable secures a new lease of life. It is sent over the wires, though in nine cases out of ten it has no bearing on the potential value of the property. For the most part present day publicity is directed to the mass sense of the multitude an absolutely negligible quantity in its estimate of the value of an unproved district or of any flotation therefrom. There has been an over expansion of the secondary industries whose legitimate function is merely to keep step with the primary industries and further their progress in every way. Carried beyond this they become to a considerable extent drags or the wheels of progress.—S. C.

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Argues Against State Fund for Compensation

By CLARENCE W. HOBBS,

Ex-Commissioner of Insurance State of Massachusetts; Before Canadian Insurance Superintendents Conference at Quebec.

State insurance of the compensation hazard is an accomplished fact and has developed to substantial proportions. It has the backing of organized labor and a certain school of political thought, and the arguments used in its behalf have been effectual enough to win the support of more than one otherwise not collectivists. The arguments may be briefly stated somewhat as follows:

(a) Under the compensation acts the state has produced a condition whereby the employer should in his own interest and for the protection of his employees, insure his liability. It is under obligation to see that he has facilities for insurance. He must not be left to the mercy of private carriers to accept or reject as they see fit, or to change for insurance whatever they please.

(b) The state owes it to employers to make the burden as light as possible. By gathering the business into a single fund in the hands of the state, it is possible to culminate acquisition cost, and all cost due to competition between companies and to effect great economies of management by substituting one single operating organization for the many organizations of private carriers.

(c) The state owes it to employees to take direct charge of the distribution of benefits, and to give them its assurance that the payment of their benefits will continue.

(d) Private profit should not be permitted upon moneys assessed upon industry on account of injuries and death of employees.

Points on Other Side

All this sounds very well, especially when buttressed up by the evidence of the managers of state funds. The case is persuasive enough not to be dismissed lightly or to be shot at merely with words. To style state insurance, collectivism, socialism, communism or even Bolshevism may comfort the hearts of ardent partizans. To appeal to those who desire to weigh the arguments without predisposed minds, it serves no useful purpose. Rather it is desirable to give consideration to the points in detail.

First, then, as to (a). We may admit willingly enough that under the compensation acts it is eminently prudent for the employer to insure all or at least a part of his liability. There is enough hazard in any risk of a serious casual accident, so that without insurance an employer may take a staggering loss. To carry one's own insurance may be practicable for a large risk; but not for the average sized employer. Insurance being desirable, if not absolutely necessary, from the standpoint of both employer and employee is this not something the state should provide?

In case of real necessity this might be the case. But ordinarily there is no lack of private insurance facilities, and it may be doubted if in any of the states that have established funds, this course has been taken because of a lack of insurance facilities.

Saddles Industry With Sins

Furthermore, there are distinct considerations of public policy against providing insurance for all risks. Shall the risk which by the extraordinary character of its hazards or by the refusal of the management to establish reasonably safe conditions for its employees, produces year by year heavy toll of deaths and disablements be permitted the advantage of insurance to enable it to continue its operations? Every consideration is in favor of such a risk, if allowed to operate at all, doing so at its own proper cost. A private insurer seldom rejects risks capriciously, or without excellent reasons, and unless the state entering the insurance business adopted the same policy it would be saddling industry with the burden of the sins of its least deserving members.

The matter of the rates for insurance is subject to control by the state. On the whole, may we not conclude that state insurance is no matter of necessity, but that the state may, if it sees fit produce conditions whereunder the private insurance of the compensation hazard is possible? The state may reach the conclusion that state insurance for one reason or another is better and this will form the substance of the remaining discussions; but by and large, if a state has to supply a deficiency of private insurance, the necessity is one of its own creation.

State Savings Are Fictitious

Next as to point (b). The economy argument has been much stressed. The state in business unquestionably need not consider a profit. It is in a position to do business at cost, or even less than cost. in the latter case, of course, the saving is fictitious. Every penny saved by A by getting insurance at less than cost is loaded by taxation onto the shoulders of B, constituting that most immoral feature of state policy—class discrimination.

But suppose the state fund does business at cost. It cuts off in the first place the tax levy. Of course, that means that the state must raise revenue by other means for its need, but there is some reason why insurance premiums ought not to be taxed for revenue purposes, and if the state pursued this policy consistently, no objection could be raised on this head. If, however, it taxes life premiums as most states do, there seems little reason why it ought not to extract its revenue from compensation premiums likewise.

In the second place, it cuts off acquisition cost. Under a monopolistic fund it does not need to employ agents or solicitors of business, for the business comes to it by necessity. Is there not a real saving here?

To this, one may say yes, if the acquisition cost is merely a toll upon the premium with no corresponding benefit to the purchaser of insurance. But is it? I place a limited amount of insurance. There is an agency I pass on my way to the train. My business is not worth its trouble to solicit, yet some of it finds its way there very regularly nevertheless. Why?

Well, first of all because I know the man and prefer to do business with somebody I know. Second, he maintains a place of business convenient to my use, where I can come, discuss personally what I want, get full information as to policies, and premium rates, get if necessary a moderate degree of credit. Then if I wish to cancel or change my insurance, if I have a loss to adjust, or run into any other complication, there he is, convenient to my use ready to advise and help.

It is because all these services are worth something that I go to him; and it is because I and others similarly situated find it worth our while to go to him that he is worth his commission to the company. If the company could get along without him or find a less expensive substitute, it probably would. You can sell insurance over the counter cheaper than through agents; yet over-the-counter insurance schemes have never prospered.

Outside of the salesman there are other services—the services connected with the adjustment of claims, the payment of benefits and the giving of medical aid, services of inspection and safety engineering. There is certain possible competitive element in these. which is expensive and undoubtedly money is spent in making these services efficient.

Advantages in Competition

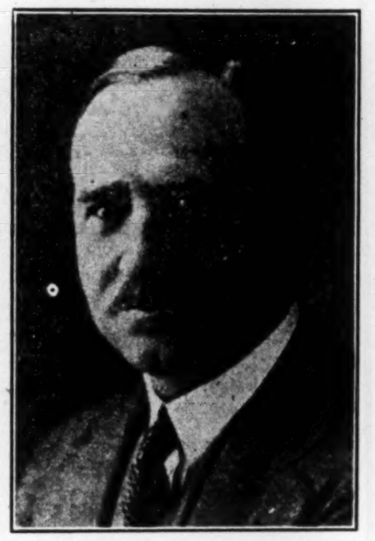
But do the employers and the employees derive no benefit from such competition? That question answers itself so far as the employees are concerned. It is evidently to their advantage to have claims adjusted promptly, benefits paid punctually and medical services rendered. It is even more to their advantage to have inspections duly made and service given for the prevention of accident. It is also demonstrably to the benefit of employees. It makes for better conditions among their working force, a diminution of the loss which comes from the occurrence of accidents in the form of time lost and a disruption of the working organization. Good engineering service is also in the public interest, making for an economic gain. For every accident prevented the community is so much more efficient and so much the richer.

Can we conclude, therefore, that the boasted economy of the monopolistic state fund is to a great extent illusory, gained not by greater competency in handling business in large masses, but to cutting off and eliminating expense items for which the assured gets a very real quid pro quo? It seems reasonable to assume so.

The competitive state funds have shown a decided tendency to approximate in expense that of the larger participating carriers, and it is probable that but for this added expense they could not keep their place. Several of the competitive state funds, be it said, are excellent organizations. Competition is as much of a benefit to the state as to private carriers. It makes for efficiency and progress. Left to itself the state falls very naturally and contentedly into stodgy, routine lines, from which it emerges only with the greatest difficulty. And it is not only possible to amend the constitution or pass enabling acts in time to meet the need.

Pipe is First Actuarial Consultant in Canada

To Sydney H. Pipe, will go the distinction of being the first consulting actuary and statistician in Canada. In the past, any person or firm requiring actuarial advice was forced to consult an actuary employed by a life insurance company, the actuarial profession having been associated almost exclusively with life insurance. However, the scope of the profession took on a new complexion during the war, and since then the services of the actuary have been sought in connection with problems involving the duration of life, and by manufacturers and commercial firms requiring advice where statistical analysis is necessary.



SYDNEY H. PIPE, F.A.S., A.I.A., formerly actuary of the I.O.F., who is now associating himself with the firm of Pipe and Allen. This firm is the first Canadian in a new profession, the consulting actuary.

One outstanding example of this development was shown in a paper read in London last February before the Institute of Actuaries of Great Britain. The paper was submitted by E. William Phillips, F.L.A., F.S.S., and dealt with the whole development of the "Actuary in Commerce and Industry." Mr. Phillips has been engaged by a large number of engineering firms upon a statistical problem which arose in connection with certain repairing contracts involving payments totaling over one million pounds, a problem incapable of correct solution without the use of knowledge possessed exclusively by the Actuary.

The new firm which is about to be organized will be prepared to advise on the information of pension fund schemes; to advise individuals and firms on forms of insurance protection, lawyers on values involving the duration of life, accountants, manufacturers and commercial firms on statistical questions and to undertake the establishment and maintenance of the Hollerith card system for any firm of life, fire or casualty company. Incidentally, Mr. Pipe was the first actuary to introduce Hollerith machines into a Canadian life office.

S. H. Pipe, who has most recently been actuary of the I.O.F., is an actuary of nearly thirty years' standing. He is a fellow of the Actuarial Society of America. A Fellow of the American Institute of Actuaries and an Associate of the Institute of Actuaries of Great Britain. He was trained in the Pearl Life Insurance Company of London, England, which does both ordinary and industrial life insurance. Amongst other achievements in Canada he has been mainly instrumental in placing fraternal societies upon a sound actuarial basis and has been behind most Canadian legislation having that object. He was the pioneer actuary on this continent in the development of benefits payable on total and permanent disability, a feature now so popular in life insurance policies.

Associated with Mr. Pipe, will be Major E. P. S. Allen, and Associate of the Actuarial Society of America, who has been associated with Mr. Pipe for a number of years. The firm will commence business about the first of October in Toronto.

Insurance Companies Should Present Plan to Quebec Cabinet

WORKMEN'S Compensation in the province of Quebec has been hanging fire for over a year. At the present time the issue has apparently become a direct controversy as to the respective merits of state versus private insurance. The government has declared itself to be from Missouri—in short it has to be shown that private insurance is best. What have the insurance interests been showing on their own behalf?

So far, very little. Pamphlets, briefs and other publicity have been issued, and certain conferences have been held among interested parties. But no plan has been offered.

On September 2nd The Financial Post published an article by W. B. Coatts, of the Toronto Casualty Company, which has caused considerable comment in compensation circles. In this article, Mr. Coatts urged the insurance companies to offer a definite plan to the Quebec Government. Past experience in Great Britain is quoted to show that where this has been done, the idea of a state monopoly has been swept off its feet and a satisfactory solution has been found to a difficult situation.

By offering their equipment and experience to the Quebec Government at the present time, through the medium of a definite plan for the operation of Workmen's compensation in the province, the companies would not only improve their own position, but at the same time might be rendering a distinct and valuable solution to this very important question.

Sun Life is Investing $100,000,000 This Year

During the present year, the Sun Life Assurance company expects to invest in Canada $100,000,000 of new money. In the past it has invested approximately $1,200,000,000, and within the next five years, it anticipates investing something like $600,000,000.

Empire Life Expands

Further expansion on the part of the Empire Life Insurance Company, is reported this week to The Financial Post. F. R. Brazen has been put in charge of the company's organization in Alberta; T. H. Mulholland has just been sent to Saskatchewan in a similar capacity; and R. H. MacNeil has been opening up territory in Prince Edward Island. The company reports very satisfactory results from its ventures into these new pastures.

The Pilot
Automobile & Accident
Insurance Company, Ltd.
Head Office—Waterloo, Ont.

Specializing in Automobile Insurance

Applications for Agencies Invited.

D. McINTOSH,
Managing Director

8% to 154%

This is the average market increase including dividends per annum of 37 sound Insurance company shares for the last 10 years. If you are interested in safe, high-yielding investments, protected by rigid Government supervision we will forward full information. Write today.

The Insurance Investments LIMITED
Insurance Bank & Trust Company Stocks
347 Bay Street, Toronto. Adelaide 8121-8

Capital: $1,000,000
Reserve: 350,000

Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults

THE
EASTERN TRUST COMPANY
Head Office—Halifax, N.S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL—138 St. James St.
23

BRITISH EMPIRE
Underwriters' Agency
Head Office - Toronto
FIRE and AUTOMOBILE
INSURANCE

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

NORTHWESTERN MUTUAL FIRE
ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA, HAMILTON, ONTARIO.
Writing Fire Insurance at Cost Assets $3,751,733.94
ALL POLICIES DIVIDEND PAYING AND NON-ASSESSABLE.
Branch Offices:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Winnipeg, Montreal, St. John, Halifax, and Charlottetown.

The NORTHERN
LIFE ASSURANCE COMPANY OF CANADA
Good insurance salesmen can always find a place with our growing organization. Write for full particulars.
Head Office: London, Ontario.

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices:
Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY Secretary W. H. HUNTER President ALEX. STEWART Treasurer

C.P.T.Co.
A REGULAR INCOME—
month by month is what a man would choose to leave for his family.

A lump sum is too easily dissipated. No matter how wise and thrifty a woman may be in the management of her household, her experience, as a rule, has not fitted her for the executorship of a will, the settlement of an estate, the handling and investing of life insurance. Lacking the facilities to carry on the work easily, she finds the task a heavy burden.

Assure her a regular income by placing your estate in trust for her.

Though the estate comprises real property, securities, life insurance and a going business, The Canada Permanent has facilities and experience to handle them all to the best advantage.

This is the most economical and surest way to make the estate which you have accumulated provide permanent comfort for your family.

We suggest you talk it over with a Canada Permanent Executive.

THE CANADA PERMANENT TRUST Co
Paid-up Capital One Million Dollars
Ontario Branch - Manager: A. E. Hessin
HEAD OFFICE: CANADA PERMANENT BLDG., TORONTO
Branch Offices: Toronto, Halifax, St. John (N.B.), Woodstock (Ont.), Brantford (Ont.), Winnipeg, Regina, Edmonton, Vancouver
28

INVENTIONS PATENTED
TRADE MARKS and DESIGNS Registered
YOUR ENQUIRY IS SOLICITED
W. IRWIN HASKETT, 12 Elgin Street, Ottawa, Canada
SOLICITOR OF DOMESTIC AND FOREIGN PATENTS.

That Mortgage

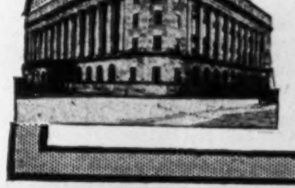
Is a mortgage one of the things you are leaving your wife?

Not a very welcome legacy, is it? And so unnecessary!

You're probably paying 6% or 7% on that mortgage now. For an outlay on life assurance averaging about 1% additional, you can provide that, in case of your death, the mortgage can be instantly paid off.

Such a policy does more than guarantee your dependents easy circumstances. It assures you an easy mind.

SUN LIFE ASSURANCE COMPANY
OF CANADA
Head Office: Montreal

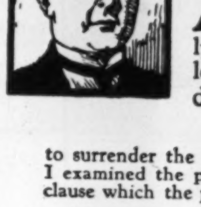


Metropolitan Life
Insurance Co.

In Canada, Of Canada, For Canada

Take all the premiums ever collected in Canada by Metropolitan Life, and compare them, first with the claims paid on policies in Canada; second with the Metropolitan investments in Canadian securities; third with Metropolitan operating expenses in Canada; those three things exceed by $53,000,000 all of the premiums ever collected in Canada by Metropolitan Life.

Canadian Head Office . Ottawa



TRUE STORIES ABOUT LIFE INSURANCE
By a Mutual Life Representative

The FORGOTTEN CLAUSE

A NUMBER of years ago we issued a policy to a man who subsequently became incapacitated from tuberculosis. For three years he was unable to do anything.

One day his mother came to me wanting to surrender the policy on her son's life for the cash value. I examined the policy and found it carried a total disability clause which the poor woman had entirely overlooked.

I read the mother the disability clause. She didn't yet quite understand.

"It's all right for you to talk," she said, "but

"I need that money NOW"

I reported the case to the head office. The Mutual Life Assurance Company of Canada promptly refunded two years' premiums and in addition paid an amount covering the monthly income for the two previous years. Regularly each month after that until her son died, *the mother received a cheque* from the Mutual Life of Canada. At his death the company sent her a cheque for the amount of the policy in full.

* * * * *

All Representatives of the Mutual Life of Canada are equipped to give invaluable counsel upon life insurance. Give them your confidence. They will respect it.

The MUTUAL LIFE
of Canada
WATERLOO, ONTARIO
307

Current Events in Banking World

MUTILATED NOTES PROVIDE PROBLEM FOR HEAD OFFICE

Fire, Dogs, Mildew and Other Agencies Are Active

What happens when bank notes are attacked by fire, insects, mildew, or other destructive forces? J. T. Keary, chief accountant of the Royal Bank of Canada, tells something of the problems involved in replacing torn or mutilated notes, in the current number of his bank's staff magazine. He says:

It has been estimated that practically the entire oustanding circulation of the bank, which averages between thirty-five and forty millions of dollars, is replaced in the course of one year. Parcels of notes considered unfit for paying out to the public are received at head office daily to be withdrawn from circulation and destroyed. Notes are received in all conceivable conditions, and in some cases it is difficult to recognize them as bank notes. When the note is intact, no matter how grimy and defaced it may be, a careful examination will disclose whether or not it is genuine, but all notes are not received intact and it is with these latter that this article deals.

All That Was Left of Them

Kept for safety in the owner's shoe, the note in the upper left hand corner shows signs of wear and tear. Beneath it is a Union Bank five dollar bill after spending a winter underground. Upper and lower right: What the puppy left.

Some Humor Creeps In

Apart from the regular stream of parcels, scarcely a day passes on which something unusual in the way of a mutilated note is not presented for redemption. Many and curious are the stories related in connection therewith: some humorous and some pathetic, from the note torn in half during a struggle for possession in a poker game to the unfortunate wife of some citizen who has unwittingly thrown her husband's wages in the fire with the litter of the household.

Fire is responsible for most of the accidents, and the charred remains of any such notes have to be handled with great care to prevent them from breaking up beyond recognition. Lost in the winter and found again when the snow has gone in the spring, dropped in the fields and turned up by the plough months afterwards, run over by street cars, eaten by mice, chewed by dogs, torn by children, are some of the explanations given.

Got Note and Envelope Mixed

One humorous incident was related from an Ontario city. A janitor in a downtown building had just received his pay envelope when someone announced the result of the late election. He must have been a "wet," as in his elation he threw the notes in the fire and put the envelope in his pocket. Fortunately, he realized his error in sufficient time to rescue sufficient to enable them to be identified at head office and he was reimbursed in full.

The kitchen gas range is responsible for many a near tragedy and it is remarkable the number of people who use it as a sort of safety deposit box in which to keep the loose change. Unfortunately, it frequently happens in the bustle of getting the dinner prepared that the notes are forgotten, and it is only after they have been well roasted that the busy housewife remembers that there is something else in the oven besides the family meal.

Washing machines are no doubt very useful in the home, but they are decidedly hard on bank notes. It would be well, therefore, when next "friend wife" decides to wash "hubby's" overalls, to go through the pockets for stray five dollar notes, notwithstanding any existing prejudice against this practice.

Insects Bored In

A curious case was reported some time ago from one of our Southern branches. A native laborer, who seemingly preferred keeping personal possession of his wealth to depositing it in a bank, had buried some three hundred dollars in the ground, but judge his chagrin when he sometime later dug them up and found that a colony of insects had been having a good square meal out of his treasure. It took some hours' work at head office to piece the fragments together somewhat after the manner of a jig-saw puzzle. He, however, received payment in full.

What was perhaps the most difficult problem submitted to us happened about two years ago. A timid depositor, anxious about the safety of his funds, decided to withdraw his balance, consisting of about six thousand dollars, from one of the local banks. He received it in bills of various denominations and of different banks and buried them packed in a tin box under the earthen floor of an outhouse. Some months later, wishing to make sure as to the safety of his money, he dug it up, but found to his dismay that the damp had played havoc with the notes. They were very badly mildewed and packed together in a wet, solid mass. We were appealed to for advice, but we found it most difficult to decide what could be done. Any attempt to dry the notes out would make the outer edges so brittle that before the centre could be reached by the heat, it would be impossible to handle the package without destroying the notes beyond redemption. The problem was referred to our good friends, the Canadian Bank Note Company, who were able to suggest what proved to be a successful method of dealing with it. A double boiler was obtained, such as that used for cooking porridge. The lower container was filled with water, which was brought to the boiling point, and the notes placed in the upper container. From time to time they were removed and the outer edges gradually loosened with the blunt edge of a knife, the damp heat preventing the notes from becoming brittle. It was an extremely slow process, some days being spent on the job, but the owner was ultimately gratified when we were able to advise him that all notes had been redeemed in full and he lost not one dollar.

Weekly Bank Clearings

(In comparison with the same week last year)

Eastern Cities	Sept. 10, 1926	Sept. 9, 1927
Montreal	$85,465,120	$98,295,299
Toronto	82,060,524	106,641,754
Saint John	2,328,173	2,264,573
Halifax	2,640,850	3,080,666
Moncton	787,014	894,914
Sherbrooke	827,110	959,316
Quebec	5,180,033	5,864,926
Ottawa	6,005,785	6,692,323
Kingston	637,670	857,817
Peterborough	....	1,132,304
Hamilton	6,138,578	....
Brantford	839,964	1,036,471
London	2,230,730	2,741,434
Chatham	....	820,824
Kitchener	791,754	927,777
Windsor	3,750,040	3,870,896
Sarnia	....	802,413

Western Cities	Sept. 10, 1926	Sept. 9, 1927
Fort William	$930,404	$1,000,817
Winnipeg	34,765,384	38,036,357
Brandon	572,925	728,864
Regina	3,890,137	4,237,298
Saskatoon	1,151,903	2,169,983
Moose Jaw	2,684,538	1,255,262
Prince Albert	312,035	408,070
Lethbridge	496,750	607,216
Calgary	4,588,600	6,248,480
Edmonton	4,177,111	4,855,698
Medicine Hat	342,647	326,041
Vancouver	15,212,542	14,948,977
Victoria	1,828,035	2,039,680
New Westminster	840,358	810,954

Staff Gossip

M. Girvan, manager of the Bank of Nova Scotia at Carbonnear, Nfld., for several years, has been transferred to Windsor, N. S.

* * *

C. Roper, Milton, has been appointed manager of the Cobalt branch of the Bank of Toronto.

* * *

A. G. Thompson, for several years accountant of the Campbellford branch of the Standard Bank, has been appointed manager of the branch at Bloomfield.

* * *

The Dominion Bank announces the following staff changes: F. H. St. John, formerly accountant at Brampton, has been appointed acting manager at the Yonge St. Terminal, Toronto branch; D. D. Dunsire has been appointed accountant at Brampton.

* * *

The Royal Bank announces the following staff changes: E. E. Cranstoun, manager at Bashaw, Alta., for the past fourteen years, was the recipient of many marks of esteem prior to leaving for Ryley to assume similar duties; W. Burns, manager of the Caracas, Venezuela, branch, has retired from the service of the bank; R. S. Vale, ledgerkeeper at Rosetown, Sask., has been transferred to Wilkie; J. E. Palfrey, accountant at Windsor, N. S., has been transferred to the supervisor's department, Halifax.

NOVA SCOTIA OPENS BRANCHES

The Bank of Nova Scotia has opened two new branches, one at Dalhousie, N.B., and one at Calgary to be known as North Hill, Calgary.

Three Big Bank Mergers This Year in Australia

The tendency toward consolidation of competing or similar industries and businesses which has been much in evidence since the World War is shown in the recent merger of Australian banks. Three such mergers have been effected and others are in prospect.

The first amalgamation was that of the Bank of Victoria with the Commercial Banking Company, effective at the close of March. The combined institutions showed assets of £54,503,323 and liabilities of £51,583,118. This merger was effected at the same time, approximately, that the Western Australian Bank joined forces with the Bank of New South Wales. Another amalgamation was between the Royal Bank of Australia and the English, Scottish and Australian Bank, which was confirmed by the shareholders on April 23. This transaction is reported to have been distinctly favorable to the Royal Bank.

The latest merger was the absorption of the Bank of Adelaide by the Bank of New South Wales. The Bank of Adelaide was about the only remaining small independent bank in Australia. Meanwhile the shareholders of the Bank of New South Wales on March 25 approved the proposal to increase the bank's capital from £6,000,000 to £7,500,000 through the creation of 75,000 new shares at £20 each.

The Commonwealth Bank of Australia remains the centre of the banking system of Australia and performs many functions that in America are assumed by the Federal Reserve banks and in a way by the Bank of England in Britain's banking system. There has been more or less talk that Australia might adopt a system modeled after the Federal Reserve system in the United States, but at the present time this is unlikely. The consolidation movement now under way is purely commercial and actuated by the reasons of economy and increased efficiency that have prompted so many bank consolidations both in England and the United States.

Joins H. B. Robinson & Co.

From Our Own Correspondent.

MONTREAL.—Graham Lewis, who has been connected with the Equitable Securities Corporation in the past, has severed his connections with that firm to become associated with H. B. Robinson & Company, investment bankers. Mr. Lewis is the son of James G. Lewis, president of Lewis Bros., Montreal.

NEW ISSUE

$500,000

ASCH, LIMITED

7% Preferred Stock

(Sinking Fund, Cumulative, Voting and Redeemable)

Preferred as to Assets and Dividends and entitled to a fixed cumulative preferential dividend at the rate of 7% per annum, payable quarterly on the first days of March, June, September and December. Dividends will be cumulative from September 1st, 1927. The stock will be redeemable in whole or in part, at the option of the Company, at 110 and accrued dividend on sixty (60) days' notice until September 1st, 1928; thereafter decreasing at the rate of one (1%) per cent. per annum up to and including 1937, and thereafter at 100 and accrued dividend. The rights, privileges, preferences and priorities attached to the Preferred Shares cannot be amended or abrogated unless confirmed by the votes of the holders of not less than three-quarters (¾) of the Preferred Stock then outstanding.

Shares of $100.00 par value each.

TRANSFER AGENT: MONTREAL TRUST COMPANY
REGISTRAR: NATIONAL TRUST COMPANY, LIMITED

For detailed information, we refer to the letter dated September 8th, 1927, from Mr. J. C. Asch, President of the Company, from which as well as other reports submitted to us, we summarize as follows:

CAPITALIZATION

	Authorized	Issued
7% Cumulative Preferred Shares (This issue)	$1,000,000	$500,000
Common Shares (No par value)	20,000 shs.	20,000 shs.

BUSINESS AND PROPERTY: Asch, Limited, incorporated under Dominion Charter, is by far the largest outdoor advertising Company featuring painted display advertising in Canada. The Company has acquired the undertaking, assets and business of an older Company of the same name incorporated in 1911, which had in turn taken over the business of Asch Company, and serves the territory from Kingston, Ontario, to Sydney, N. S.

The Company is directly affiliated with the General Outdoor Advertising Company, Inc., of the United States and is also a member of the Outdoor Advertising Association. The Company has a branch office, plant and studio in Ottawa, Ont., and representation through associated plant owners in Toronto, Winnipeg, London, Brantford, Calgary, Edmonton, Victoria and Vancouver. The Company also has international facilities for soliciting painted display advertising.

A complete plant studio is located in Montreal at the corner of St. Urbain and Sherbrooke Streets. The Company either owns or has under lease 1,454,759 square feet, comprising approximately 3500 locations throughout the territory served. Among these sites owned by the Company are some of the most advantageous and valuable locations at the corners of main streets and arteries of traffic in Montreal.

Some of the artists and designers in the employ of the Company are recognized as being the most skilful in their line in Canada.

CUSTOMERS: The Company has from one to five year contracts to supply painted display advertising in the territory which it serves to over one hundred and seventy-five of the largest and most representative public utility and industrial companies in Canada, among whom are the following:—

Henry Birks & Sons, Limited,
Brandram-Henderson, Limited,
Coca-Cola Company of Canada, Limited,
Canada Starch Company, Limited,
Canada Bread Company, Limited,
Dominion Rubber Company, Limited,
J. S. Fry & Sons, Canada, Limited,
Guaranteed Pure Milk Company, Limited,
General Motors Products of Canada, Limited,
Hartt & Adair Coal Co., Limited,
Imperial Tobacco Co. of Canada, Limited,
Imperial Oil, Limited,
W. C. Macdonald, Incorporated,
Molson's Brewery, Limited,
Maple Leaf Milling Company, Limited,
National Breweries, Limited,
Sherwin-Williams Company of Canada, Limited.

ASSETS: FINANCIAL CONDITION OF THE COMPANY

Current Assets, including Accounts Receivable, after making allowances for all bad and doubtful accounts		$ 192,775.79
Real Estate (Free of Mortgage) as valued by the Canadian Appraisal Co., Limited		527,838.04
Plant, leases and franchises, as valued by the Canadian Appraisal Co. Limited		479,500.00
TOTAL ASSETS		$1,200,113.83
Deduct all current and deferred liabilities		33,691.23
		$1,166,422.60
Deduct Preferred Stock issued		500,000.00
20,000 common shares no par value reflecting net worth of		$ 666,422.60
Book value of Preferred Shares	$233.28	
Book value of no par shares	33.32	

The Company has no bond issue, bank loans or liabilities other than shown in above statement.

EARNINGS: The net earnings of the business carried on by the Company and its predecessor during the past four years, after deducting all charges, including maintenance and repair charges, ample depreciation, interest, taxes, (Municipal, Provincial and Federal Income Tax) as certified by Messrs. P. S. Ross & Sons, Chartered Accountants, Montreal, have averaged $125,334.00.

Dividend requirements on this issue will be $35,000.00.

The volume of business has increased approximately at the rate of 10% each year and the profits have increased in the same ratio.

BOARD OF DIRECTORS:

J. C. ASCH,
President and Managing Director.
Director, St. Catherine Realties Corporation.
Director, Laurentian Insurance Co.

GORDON W. SCOTT,
Vice-President of P. S. Ross & Sons.
Director Canadian Celanese Co., Limited.
Director, The Eastern Trust Company.

HON. GEO. G. FOSTER, K.C.,
Foster, Place, Hackett, Mulvena, Hackett & Foster.
Director, Travelers' Insurance Co. of Hartford.

F. G. DONALDSON,
Managing Director, Montreal Trust Company.

W. P. RAPLEY,
Williams, Partridge & Rapley, Limited.
Director, J. S. Mitchell & Co., Limited.

All legal details in connection with this offering are subject to the approval of Messrs. Brown, Montgomery & McMichael, of Montreal. This stock is offered when, as and if received by us and subject to the approval of Counsel.

PRICE: $107.50 per unit of {1 Share Preferred Stock, ⅓ Share Common Stock.

Plus accrued dividend on Preferred.
Fractional shares of Common Stock will be adjusted at $25.00 per share.

Application will be made in due course for listing the Preferred and Common Shares of the Company on the Montreal Curb Market

WILLIAMS, PARTRIDGE & RAPLEY, LIMITED
171 St. James Street, Montreal

J. M. ROBINSON & SONS
459 St. John Street, Montreal

BRUNEAU & RAINVILLE
101 St. James Street, Montreal

(The statements contained in this advertisement, while not guaranteed, are based on information and advice which we believe accurate and reliable and on which we relied in acquiring these securities.)

Wife or Son as Joint Executor

The objection a man often raises to appointing a Corporate Executor and Trustee in his Will is that he would thereby exclude his family from participation in the winding up of his affairs after death.

This objection is readily met by the appointment, in conjunction with his wife or other relative, of a Trust Company like The Standard, upon which would be placed the responsibility of looking after the Estate's affairs.

No need to omit your wife or son or daughter—but why burden them with the exacting cares of an Executorship, when the Company can, and cheerfully will, take the weight and assume all the risks as Co-Executor.

Send for Booklet called "Satisfaction."

THE STANDARD TRUSTS COMPANY
346 Main Street, Winnipeg
Capital paid up $1,000,000 Reserve $300,000.
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TELLS CANADIANS OF CONNECTICUT'S AGENTS' LICENSES

Commissioner Thinks Insurance Agents Should be Controlled

By HOWARD P. DUNHAM,
Commissioner of Insurance, State of Connecticut, U.S.A.
At the Tenth Conference of the Association of Provincial Superintendents.

Any limitation on the right of individuals to engage in any legitimate business is jealously scrutinized by the courts, and some licensing laws have been declared unconstitutional. No licensing system for insurance agents will be sustained by the courts which goes beyond the genuine needs of the public welfare.

In the second place, any law which permits arbitrary restrictions on the rights of citizens to engage as agents in insurance business would unquestionably be contrary to the Constitution of the United States. But the business of insurance is a complicated one, and ordinary people are very easily misled with regard to it. Our theory in Connecticut is that licensing of insurance agents is constitutionally permissible and beneficial if it is strictly limited to proper purposes.

Minimum Knowledge of Business

The first purpose is to secure by a reasonable examination of any candidate for a license as agent the possession by him of a necessary minimum of knowledge about forms and conditions of the kind of insurance business he proposes to engage in, in order thus to provide against ignorance misrepresentations by him to members of the insuring public.

The second and more important purpose is to hold over all insurance agents the threat that their licenses, annually granted, may be refused, renewed or cancelled, if they themselves are guilty of practices which are illegal, unfair, or otherwise against the public interest.

In order to make it certain that the action of the licensing authorities is not arbitrary and unjustified, and is not a violation of the constitutional requirement of due process of law, any licensing law should provide that a license may be cancelled only after a notice and a hearing before the Insurance Department, and that any person aggrieved by the refusal or cancellation of a license may appeal to the courts for relief.

Shuts Out Irregular Business

In the third place, a licensing law, such as we have in Connecticut, aids substantially in shutting out of the state some irregular kinds of insurance business, which are based essentially on a misleading of the public. Non-resident insurers, except life insurance companies, cannot issue a policy in Connecticut, unless it is countersigned by a resident licensed agent, and no one can solicit or procure insurance except on his own person or property from any insurer not admitted to do business in the state, or can aid in the doing of insurance business in the state by any such insurer. Since an insurance agent is only licensed to do business on behalf of specific insurers, and since an unauthorized insurer cannot have an agent in the state, and since no contract of insurance, other than for life insurance, effected in Connecticut is valid without being countersigned by a resident licensed agent, it is practically impossible to carry on any irregular or wildcat form of insurance business in Connecticut.

EXPECT OTTAWA TO FIGHT BACK ON FIRE LICENSES

(Continued from page 1)

ness in the two major provinces without making a deposit of any sort.

Difference in Licensing Provisions

At this point it is well to know the difference between a deposit at Ottawa, and a deposit with the provinces. In the former case, the $100,000 that is now required, is only an initial deposit, whereas with the provinces the $50,000 demanded by them in certain cases is the entire requirement of licensing.

Insurance company officials say that provincial deposit requirements are inadequate to protect the policy holders of a large company, and further, that the Dominion deposit requirement, as now constituted, would probably prove an entirely adequate provision in case of insolvency.

Take, for instance, 10 of the largest stock companies writing fire risks in Canada. The total accepted value of their deposits with the Receiver-General at Ottawa amount to $22,222,000. This is an average of over $2,000,000 per company. In addition the companies have also large amounts of money vested in Canadian Trustees under the Insurance Act. These deposits are increasing each year. They vary according to the liabilities of these companies in Canada.

Must Cover All Liabilities

If a foreign company operates in Canada under a Dominion license, it is required (in addition to its initial deposit of $100,000) to maintain on deposit with the Receiver-General at Ottawa, sufficient securities or assets to cover its liabilities to Canadian insurers. Canadian companies must make an initial deposit, and must also maintain their assets at the ratio of 115% of their liabilities, but they are allowed freedom as to where they invest their assets. That is to say, Canadian companies do not have to deposit their assets at Ottawa as is the case with foreign companies.

It is also significant that whereas the provinces have been gradually removing the deposit condition as an obsolete condition of licensing, the Dominion, on the other hand, has been strengthening this requirement and, at the last session of parliament, it raised the initial deposit from $50,000 $100,000. However, this initial deposit forms only a small part of the actual amount deposited at Ottawa as protection of insurers, the actual amount being in direct proportion to liabilities, and amounting in the case of one foreign fire company, to over $6,000,000.

Ottawa Thinks Deposit Essential

This then is the practical answer which Dominion insurance authorities make to the contention of the provinces that a deposit is at best, insufficient to protect policy holders.

Various authorities point also to the experience that has come to light through the failure of certain companies outside of Canada. The experience comes from foreign companies which have failed within recent years, and which have insurance at risk both in Britain and the United States. British practice has always been more or less opposed to the deposit, and, in this respect, it is of like mind with the Canadian provinces. American practice has favored the deposit on the whole, which links them with the insurance authorities at Ottawa.

The experience of the aforementioned failures are said to have been disastrous to British policy holders, and favorable to those policy holders in the United States whose state demanded an adequate deposit. The American insurers were paid in full from the proceeds of the deposit, whereas the assets of the companies, when distributed among British and other insurers, proved only sufficient to meet 10 per cent. or perhaps 20 per cent. of the policy holders' claims.

What Provinces Offer

How about the other side of the picture? What have the provinces to offer as a substitute for the deposit?

Officially there has been no announcement as to what steps will be taken by provincial governments to safeguard insurers who are licensed without a deposit. However, The Financial Post learns on good authority that the primary postulate of licensing will be an extremely thorough examination of each company applying for license. This licensing will probably be undertaken in the following manner:

The examination will be at the expense of the company. Two or perhaps three qualified accountants will be appointed to make the examination at the head office of the company. The appointments of the accountants would probably be made by the three interested parties, the company itself, the department of insurance in the province in which the company is applying for a license, and the Commissioner or Superintendent of Insurance in the state or country where the head office of the company is situated.

Obviously, there would be many objections to such an examination. The expense would be very heavy, especially if the company were to seek a license in all of the Canadian provinces. Then, of course, there would have to be periodic examinations in order that the initial examination would not lull insurers into a false sense of security. Then, also, there is the stock company to be considered.

What Ottawa Thinks

Although Ottawa has not spoken anent this most recent development, the views of G. D. Finlayson, Dominion Superintendent of Insurance on the question of jurisdiction are on record.

His last public statement on the question of jurisdiction was made before the Insurance Institute of Toronto, last October, and some references from that address will be illuminating.

The Dominion Superintendent reviewed the various stages that have led up to the present situation by commenting on the various legal decisions and controversies that have been recorded from time to time.

The Superintendent quotes a paragraph from the decision of 1916 relating to whether or not the Dominion Government had power to require British and foreign companies to obtain a Dominion license before transacting business in this country. The decision in this case was in favor of the provinces, but expressed the opinion that such a license might be imposed by the Dominion Parliament by the medium of properly framed legislation enacted under section 91 of the British North America Act, which refers to the regulation of trade and commerce and to aliens. Previous Dominion insurance legislation had been enacted via the criminal code.

Then again, reference is made to the case of 1922 which concerned the right of a province to license an alien insurer quite apart from the authority of the Dominion. This case was ultimately carried to the Privy Council. Of this, Superintendent Finlayson says:

"Unfortnately in the questions submitted the point at issue was not directly raised. The questions dealt rather with the regulation of the contracts of reciprocal insurers.

"The Dominion was not consulted in any way in the framing of these questions, nor was it a party to the hearings, except for the purpose of enabling the province to obtain an appeal to the Privy Council.

"This decision therefore notwithstanding the failure of the questions submitted to directly raise the point at issue, affirms the decision of 1916. Unfortunately, this decision was not recognized by the provinces and the legislation in question was proclaimed. It is, however, recognized, even by the provinces that enacted it, as fundamentally unsound and involving a certain hazard to the public if ever allowed to become operative."

Comment of Supreme Court Case

Bringing the discussion up to the present time, the Superintendent refers at some length to the case which ended in the Supreme Court of Ontario, and on which the final decision was handed down in February, 1926. Although the decision definitely challenges the right of the Dominion to license foreign companies, and although the Dominion even failed to be represented when the case was put before the Supreme Court, the Superintendent explains the situation in this way:

"In 1925, a reference was made to the courts in respect of the accident and sickness conditions of 1917. This reference was, when communicated to the Dominion, limited to the sections prescribing statutory conditions for accident and sickness policies and automobile policies. In view, however, of the fact that section 134 clearly recognized and made way for provincial legislation there appeared no good reason why the Dominion should be represented. Later on apparently, without the knowledge of the Dominion, certain other sections regarding licenses and penalties were included in reference. The Dominion first became aware of this portion of the reference when the decision was made public.

In the decision, four judges in the Supreme Court divided equally on the validity of Dominion legislation and the fifth judge, while expressing doubt concurred with those attacking the validity of that legislation in order not to delay the progress of the case.

"In so far as the reference affects statutory conditions, the position of the Dominion is that its legislation gives absolute liberty to any province to regulate the contracts even of Dominion companies. It would appear that the action was taken for the purpose of enabling one or more provinces to impose their will upon the citizens of other provinces, and to compel them to accept contracts more restrictive and less liberal than those to which they have been accustomed and which the companies are quite willing to provide.

"What further action will be taken is a matter for decision by the legal advisers of the government. So far as the department is concerned from its knowledge of the history and origin of the reference, it is disinclined to recommend the expenditure of public money for the purpose of contesting a question on which the fullest freedom of action now remains with the provinces.

"The question of the relation of the Dominion to the provinces is one of the greatest importance to the development of this country. Anything calculated to destroy the harmonious working of federal and provincial authorities is to be discouraged and condemned. Most of all is to be condemned anything which under the guise of promoting co-operation and uniformity is designed to foment discord and diversity. The constitution of the British Empire has been said to be founded on the common law, and Lord Darling has recently stated that the common law of England is based on common sense. It is surely not too much to expect that the constitution of Canada may be traced to the same ultimate foundation and that the administrative practices of both Dominion and provinces be brought into accord therewith."

Companies Can Meet Them

"Our best friends and our worst competitors"—was the reaction of one well-known fire insurance underwriter to the announcement that the New England Mutuals had been licensed in Ontario and Quebec. "They've got some mighty fine business, but we're taking it away from them every day. Sometimes they nick us, of course, and then again we nick them. The old bogey that they are not Canadian companies is twenty years out of date. Rates and service are the basis on which we meet them."

"We can meet them on that basis, too. The volume of sprinklered business has increased so tremendously in Canada during recent years that we can now meet their rates on most manufacturing lines, and give our clients a service equal to what they can get down in New England. It's now a straight question of mutual versus stock company business; whether the insurer wants a definite contract, or whether he is willing to risk a future assessment for the benefit of immediate advantage."

ADDITIONAL OFFERING

$18,500,000

GATINEAU POWER COMPANY

First Mortgage Gold Bonds 5% Series due 1956

Dated June 1, 1926 Due June 1, 1956

Interest payable June 1st and December 1st in New York and Boston in United States gold coin and in Montreal and Toronto in Canadian gold coin. Redeemable on any interest date on thirty days' published notice at 105 through June 1, 1936; thereafter at 104 through June 1, 1941; thereafter at 103 through June 1, 1946; thereafter at 102 through June 1, 1951; and thereafter and prior to maturity at 101; accrued interest to be included in all cases.
Coupon Bonds of denominations of $1,000 and $500, registerable as to principal and fully registered Bonds of $1,000, $5,000, $10,000 and authorized multiples, interchangeable in like principal amounts.

THE ROYAL TRUST COMPANY, MONTREAL, TRUSTEE.

The following information is summarized by Mr. A. R. Graustein, President of the Company:

Company: Gatineau Power Company, a Quebec corporation and a wholly owned subsidiary of International Paper Company, owns in fee or holds through long term government leaseholds water power sites in the Province of Quebec, Canada, with an aggregate potential capacity in excess of 800,000 h.p., of which almost 200,000 h.p. has been installed and is in operation. The growing demand for power in this section of Canada has made it necessary for the Company to revise its initial development program for the installation of 397,500 h.p. and the capacity already completed or under construction now amounts to 443,500 h.p., of which 419,500 h.p. is on the Gatineau River. In addition, the Company is acquiring nine hydro-electric plants with a present installed capacity of 16,000 h.p.

Purpose of Issue: Of the present offering, $12,500,000 Bonds have heretofore been held in escrow as part of the deposit made by International Paper Company pursuant to the agreements whereby that company acquired said Bonds and guaranteed the completion of the initial development program. Proceeds of the remaining $6,000,000 Bonds which are being purchased directly from the Company will reimburse the Company in part for expenditures made or to be made in connection with the installation of capacity on the Gatineau River in excess of the amount initially contemplated and the purchase of the nine additional plants.

Power Contracts: Contracts for the sale of over 90% of the primary power to be generated at these plants have already been executed with the Hydro-Electric Power Commission of Ontario, the Canadian International Paper Company and the Canada Cement Company, Limited, and the balance is now being absorbed in the adjacent power markets. The Trust Deed contains provisions limiting and defining the conditions under which changes may be made in certain of these contracts in order to introduce the reasonable flexibility desirable in long term contracts.

Earnings: Upon the completion of the capacity under construction and the sale for power purposes of all power to be produced, it is estimated that net earnings of the Company available for interest and reserves will exceed $6,000,000 per annum, or over two and three-quarters times the annual interest requirements on the entire $43,500,000 First Mortgage Gold Bonds to be presently outstanding.

Security: The First Mortgage Gold Bonds are or will be secured, in the opinion of counsel, by a direct first mortgage and hypothec on all water powers developed and operating or in the process of development now owned by the Company. Estimates of independent engineers indicate a value for the properties, upon completion of construction work now under way, largely in excess of the funded debt now to be outstanding. The substantial equity is represented by $12,380,000 6% Gold Debentures, due 1941, $25,000,000 Preferred Stock and 500,000 shares of Common Stock. The Trust Deed provides for a minimum annual Sinking Fund, payable in cash or Bonds, commencing December 1, 1927, equal to ½% of the greatest aggregate principal amount of First Mortgage Gold Bonds at any time outstanding. The Trust Deed contains provisions permitting certain modifications by the bondholders as therein provided.

Guarantee of Completion: Cash sufficient, in accordance with careful estimates checked by independent engineers, for the completion of the initial development program up to the capacity of 397,500 h.p. will be held in escrow so long as required, subject to withdrawal as construction expenditures are made. International Paper Company has, furthermore, guaranteed to provide any additional funds which may be necessary for the completion of this initial development program.

International Paper Company: International Paper Company with its subsidiaries is the largest manufacturer of paper in the world and one of the largest holders of water powers in North America. The capacity of its paper mills is more than twice as great as that of any other company on this Continent. Upon completion of the present development program of Gatineau Power Company, International Paper Company, with its wholly owned subsidiaries, will have developed water powers with a total installed capacity of over 700,000 h.p. (600,000 h.p. hydro-electric and 100,000 h.p. hydraulic), capable of being increased through further development and through the utilization of undeveloped sites to over 1,500,000 h.p.

WE RECOMEND THESE BONDS FOR INVESTMENT

Price 97½ and accrued interest to yield over 5.16%

These Bonds are offered for delivery when, as and if issued and received by us and subject to approval of counsel. Legal matters in connection with the issue of these Bonds have been or are to be passed upon for the Bankers by Messrs. Rushmore, Bisbee and Stern, New York, and for the Company by Messrs. Davis, Polk, Wardwell, Gardiner and Reed, New York, and Messrs. Brown, Montgomery and McMichael, Montreal. The Gatineau River properties have been examined and the program for their development approved by The J. G. White Engineering Corporation. It is expected that temporary Bonds or Interim Receipts will be available for delivery on or about October 5, 1927.

Harris, Forbes & Company
Limited

Drury & Co **Dominion Securities Corporation**
Limited

Royal Securities Corporation
Limited
Hanson Bros.

Greenshields & Co **Wood, Gundy & Company**
Limited

A. E. Ames & Company
Limited
Nesbitt, Thomson & Company
Limited

R. A. Daly & Co. **René-T. Leclerc**
Incorporée

The National City Company
Limited